TRF Limited
A TATA Enterprise

56th ANNUAL REPORT
2018-2019


Segment Repair Shop


Wagon Tipplers


Apron Feeders


Stacker Reclaimers

PROVIDE RELIABLE

ELECTRO-MECHANICAL SERVICES & FABRICATED STRUCTURES FOR INDUSTRIAL & INFRASTRUCTURE PROJECTS

Policy on Prevention of Sexual Harassment (POSH) at Workplace

TRF is committed to providing a place of work that is free of sexual harassment and all forms of intimidation or exploitation of all employees.

TRF shall provide healthy working environment that enables employees to work without fear of prejudice, gender bias, sexual harassment and all forms of intimidating or exploitation. TRF believes that all stakeholders, irrespective of their gender, have right to be treated with dignity.

In continuation to our endeavor towards improved gender diversity and inclusion along with creating a safe, fair and just workplace, we have put together this policy called Prevention of Sexual Harassment at Workplace.

In accordance with this policy, committees and detailed guidelines have been formed to address the issue of sexual harassment at workplace. All employees (permanent, temporary, contract) as well as trainees, visitors to our office premises or services are covered under this policy.

If someone has crossed a line, refer to the guidelines on Prevention of Sexual Harassment (POSH) at Workplace and report the matter to Internal Committee (IC).

Gift & Hospitality Policy

Introduction

- The Tata core values find expression as behavioral guidelines in the Tata Code of Conduct. Our collective adherence to these guidelines represents our promise to ourselves and to the many stakeholders of brand Tata. Each Tata employee is responsible to ensure that his or her behavior and actions, both individual and collective, stay aligned to these values.
- Business gifts and hospitality are occasionally used in the course of business activity as a means to build goodwill and strengthen working relationships among business associates. However, gifts or hospitality (including entertainment or travel) may create conflict of interest or illicit payment.
- TRF has adopted this policy to help its employees take the right decisions when they are offered gifts or hospitality while conducting business or official transactions on behalf of TRF.

Definitions

- The term "gifts" would include any gratuitous non-monetary benefit which can be used or consumed.
- The term "hospitality" would include any form of travel, hotel, food, drinks, entertainment or any events (participating or watching) such as sporting events, theatrical events, awards or ceremonies.
- The term "business associate" would include suppliers, customers, vendors, dealers, distributors, franchisees, lessors, lessees or such other persons with whom TRF has any business or transactional dealings.

Policies on Environment Protection & Sustainable Growth

Waste Management Policy

TRF affirms its commitment to safe and efficient waste management, reduce and recycle waste produced and ensure compliance to all legal requirements relating to waste management. It also promotes environmental and recycling issues as an integral element of its activities and demonstrates its commitment to continual improvement in environmental practices. We commit to the following towards reduction of waste and promotion of recycling:

- Prevention of waste generation at source
- Plan for recycling / re-use at design stage
- Take all steps to promote recycling
- Ensure disposal by following applicable legislation
- Promote a purchasing policy that gives preference, to environmentally friendly products and services

Energy Reduction Policy

TRF is committed to use energy efficient management practices as a part of its sustainable development policy. To achieve this, it shall strive to:

- Comply with current applicable regulations
- Implement world class operation practices to conserve energy & resources
- Continuously improve technology to enhance energy efficiency
- Identify, prevent, control & minimize the energy losses
- Explore new sources of energy, including renewable & alternate sources

Whistle Blower Policy for Vendors

Introduction

In compliance with the Tata Code of Conduct and in furtherance with TRF Limited's ("Company") policy to encourage and protect genuine Whistle blowing, a Whistle Blower Protection Policy ("Policy") has been developed.

Definitions:

"Protected disclosure" means any communication in relation to matters concerning the Company, which is made in good faith and which discloses information that may evidence demand for illegal gratification and / or unethical or improper activity of serious nature, by any employee, director or vendor.

"Vendor Whistle blower" means a person / organization, making a protected disclosure and thereafter extending whatever assistance may be required in establishing facts mentioned in the protected disclosure.

TRF LIMITED

CIN : L74210JH1962PLC000700

BOARD OF DIRECTORS

(As on April 15, 2019)

Mr. Rajesh Ranjan Jha - Chairman

Mr. Ranaveer Sinha

Mr. Dipankar Chatterji

Mr. Sabyasachi Hajara

Ms. Neera Saggi

Mr. Vinayak Kashinath Deshpande

Mr. Ranganath Raghupathy Rao

Mr. Sumit Shubhadarshan - Managing Director

MANAGEMENT

(As on April 15, 2019)

Mr. Sumit Shubhadarshan	-	Managing Director
Mr. Anil Kumar Singh	-	Vice-President, Operations
Mr. Shaktishree Das	-	Chief Financial Officer
Mr. Sucharit Chakrabarti	-	Asst Vice President, Projects
Mr. Subhashish Datta	-	Company Secretary & Chief Commercial

Registered Office

11, Station Road, Burmamines, Jamshedpur- 831 007
Phone : 91 657 3046500 / 3046598 Fax : 91 657 2345732
Website : www.trf.co.in

Bankers

Axis Bank
Bank of Baroda
Canara Bank
Central Bank of India
HDFC Bank
IDBI Bank
Indian Bank
Kotak Mahindra Bank

Registrars & Transfer Agents

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Indl. Estate, (Near Famous Studio)
20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011
Tel. no. : (022) 6656-8484 Fax no. : (022) 6656-8494
E-mail : csg-unit@tsrdarashaw.com
Website : www.tsrdarashaw.com

Contents

56th Annual General Meeting of TRF Limited will be held on Friday, July 12, 2019 at the Main Hall, Beldih Club, Northern Town, Jamshedpur - 831 001 at 12.30 p.m.
Members are requested to kindly bring their copies of the Annual Report to the meeting.

Notice

Notice is hereby given that the 56th Annual General Meeting of TRF Limited will be held at Main Hall, Beldih Club, Northern Town, Jamshedpur- 831001 on Friday, July 12, 2019 at 12.30p.m. (IST) to transact the following business:

Ordinary Business :

Item No. 1 – Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 – Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon.

Item No. 3 – Re-appointment of a Director

To appoint a Director in place of Mr. Vinayak Kashinath Deshpande (DIN: 00036827), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Special Business:

Item No. 4 - Appointment of Mr. Ranganath Raghupathy Rao as a Director

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** Mr. Ranganath Raghupathy Rao (DIN: 06725337), who was appointed by the Board of Directors as an Additional Director of the Company effective September 14, 2018 and holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ('Act') and Article 104 of the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Item No. 5 - Re-appointment of Mr. Ranaveer Sinha as an Independent Director

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Mr. Ranaveer Sinha (DIN: 00103398), who was appointed as an Independent Director at the 51st Annual General Meeting of the Company and who holds office up to August 1, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, based on the recommendations of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing with effect from August 2, 2019 upto attaining the age of 70 years i.e. July 8, 2024."

Item No. 6 - Appointment of Mr. Sumit Shubhadarshan as a Director

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** Mr. Sumit Shubhadarshan (DIN: 07004155), who was appointed by the Board of Directors as an Additional Director of the Company effective September 15, 2018 and holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ('Act') and Article 104 of the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

Item No. 7 - Appointment of Mr. Sumit Shubhadarshan as Managing Director

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013, as amended ('Act'), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded to appoint Mr. Sumit Shubhadarshan (DIN: 07004155), as the Managing Director of the Company for the period from September 15, 2018 to September 14, 2021 not liable to retire by rotation, upon the terms and conditions set out in the Statement annexed to the Notice convening the 56th Annual General Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of Section 197 of the Act, with liberty to the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board) to alter and vary the terms and conditions of the said appointment in such manner and as may be agreed to between the Board of Directors and the Managing Director.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Item No. 8 - Winding up of TRF Holdings Pte. Limited (a wholly owned subsidiary in Singapore)

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"**RESOLVED THAT**, pursuant to Section 180(1)(a) of the Companies Act, 2013 and subject to all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI Regulations, RBI Guidelines and subject to all other necessary approvals, consents, permissions and sanctions required from the Company's lenders, and/or other institutions or bodies, statutory authorities and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the powers conferred by this resolution), consent of the Members of the Company be and is hereby accorded to the Board for winding up of TRF Holdings Pte. Ltd. (a wholly owned subsidiary of the Company).

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the 'Board', which term shall include any Committee constituted by the Board for this purpose or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings, as it may in its absolute discretion deem necessary or incidental thereto including paying such fees and incurring such expenses in relation thereto as it may deem appropriate and to file such documents, forms, etc., as required with the regulatory/statutory authorities and authorize any director(s), Chief Financial Officer, Company Secretary or any other officer of the Company for the aforesaid purpose, as may be deemed fit to give effect to this Resolution."

Item No. 9 - Ratification of remuneration of Cost Auditors

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of ₹3,50,000 plus applicable taxes and out-of-pocket expenses payable to Messrs Shome & Banerjee, Cost Accountants (Firm Registration Number - 000001) who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2020.

RESOLVED FURTHER THAT the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and/or otherwise considered by them to be in the best interest of the Company."

By Order of the Board of Directors

Registered Office:
11, Station Road,
Burmamines,
Jamshedpur-831007
Dated: April 15, 2019
Place : Kolkata

Subhashish Datta
Company Secretary & Chief Commercial

NOTES:

a) The Statement, pursuant to Section 102 of the Companies Act, 2013 with respect to Item Nos. 4 to 9 forms part of this Notice. Additional information, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India in respect of Directors seeking appointment/re-appointment at the Annual General Meeting ('Meeting') is furnished as annexure to the Notice.

b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/HER BEHALF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

c) Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 in number and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

d) The instrument of proxy, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution or authority as applicable.

e) Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Meeting.

f) In case of joint holders attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.

g) Members/proxies/authorized representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the Meeting.

h) The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, July 2, 2019 to Friday, July 5, 2019 (both days inclusive) for the purpose of Annual General Meeting for Financial Year 2018-19.

i) Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by Members at the Registered Office of the Company during business hours on all working days, up to the date of the Meeting.

j) Members desiring any 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) As per the provisions of the Companies Act, 2013, facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

l) Section 20 of the Companies Act, 2013 permits service of documents on Members by a company through electronic mode. Hence, in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Company's Annual Report for 2018-19 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant unless any Member has requested for a physical copy of the Report. For Members who have not registered their e-mail addresses, physical copies of the Annual Report for 2018-19 are being sent by the permitted modes. Members may note that the Annual Report for FY 2018-19 will also be available on the Company's website http://trf.co.in/annual-reports.

m) As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members may contact the Company or Company's Registrars and Transfer Agents, TSR Darashaw Limited for assistance in this regard.

n) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and to TSR Darashaw Limited in case the shares are held in physical form.

o) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or TSR Darashaw Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

p) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. Members may note that the list of unpaid/ unclaimed dividend is available on the website of the Company at http://trf.co.in/unclaimed-unpaid-dividend.

q) Members who have not yet en-cashed their dividend warrant for the financial year ended March 31, 2012, are requested to make their claims to the Registrars & Transfer Agents of the Company without any delay.

r) The Company has provided facility of e-voting to its members as prescribed under the Companies Act, 2013 read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The instructions for e-voting are annexed to this Notice.

s) At the 54th AGM held on July 27, 2017 the members approved appointment of Price Waterhouse & Co Chartered Accountants LLP (Firm Registration No. 304026E/E-300009) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 59th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

Process and manner for voting through electronic means:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended from time to time and the Secretarial Standard on General Meetings ('**SS-2**') issued by The Institute of Company Secretaries of India, the Company is pleased to provide to its members the facility to cast their votes electronically, through e-Voting services provided by National Securities Depository Limited ('**NSDL**'). The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ('remote e-voting') and the services will be provided by NSDL. Instructions for remote e-voting (including process and manner of e-voting) are given herein below. The resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting. The Notice of the Annual General Meeting indicating the instructions of remote e-voting process along with printed Attendance Slip and Proxy Form can be downloaded from the NSDL's website www.nsdl.co.in or the Company's website www.trf.co.in.

II. The facility for voting through ballot paper shall be made available at the Annual General Meeting venue and the members (including proxies) attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting.

III. Members who have cast their vote by remote e-voting prior to the Annual General Meeting may attend the Meeting but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Tuesday, July 9, 2019 (9:00 am IST) and ends on Thursday, July 11, 2019 (5:00 pm IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 5, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The instructions for e-voting are as under:

In case a shareholder receiving e-mail from NSDL or is already registered for e-voting:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

   Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is :

a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
   c) How to retrieve your ‘initial password’?
      (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. “TRF remote e-voting.pdf” file. The password to open the “TRF remote e-voting.pdf” file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The “TRF remote e-voting.pdf” file contains your ‘User ID’ and your ‘initial password’.
      (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
   a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

OTHER INSTRUCTIONS:

VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pramodkumar.pcs@gmail.com with a copy marked to evoting@nsdl.co.in.

VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

VIII. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

IX. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, July 5, 2019.

XII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, July 05, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Company/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XIII. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XIV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XV. Mr. P. K. Singh, Practicing Company Secretary (Membership No. FCS- 5878 & C.P. No.19115) or failing him Mr. Rohit Prakash Prit (Membership No. ACS- 33602 & CP No. 16213), Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

XVI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of 'Polling Paper' for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

XVII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVIII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.trf.co.in and on the website of NSDL immediately on declaration of results by the Chairman or by the person authorized by him in writing and shall also be immediately communicated to the Stock Exchanges where the company's shares are listed.

t) The Notice of the Annual General Meeting and the Annual Report of the Company for the Financial Year 2018-19 will be available on the Company's website www.trf.co.in for download and also shall be open for inspection at the Registered Office of the Company, on all working days, except Saturdays, between 9.30 a.m. (IST) and 4.00 p.m. (IST) up to the date of the Meeting.

By Order of the Board of Directors

Registered Office:
11, Station Road,
Burmamines,
Jamshedpur-831007
Dated: April 15, 2019
Place : Kolkata

Subhashish Datta
Company Secretary & Chief Commercial

ANNEXURE TO NOTICE

Statements pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 (hereinafter referred to as 'the Act') the following Statement sets out all material facts relating to the Special Business set out from Item Nos.4 to 9 of the accompanying Notice.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors ('Board'), appointed Mr. Ranganath Raghupathy Rao as an additional (Non-Executive, Non Independent) Director of the Company, liable to retire by rotation effective September 14, 2018.

Pursuant to the provisions of Section 161 of the Act and Article 104 of the Articles of Association of the Company, Mr. Ranganath Raghupathy Rao will hold office upto the date of ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received a notice in writing from a member, proposing the candidature of Mr. Ranganath for the office of Director. Mr. Ranganath once appointed will be liable to retire by rotation and will be subject to the Company's policy on Retirement of Directors.

Mr. Ranganath Raghupathy Rao is presently the Vice President Finance (India, South East Asia) of Tata Steel Limited and is responsible for the Financial Accounting, Taxation as well as Consolidation and Reporting of Financial Statements of the Tata Steel Group. Prior to joining Tata Steel, he worked in Cairn Energy India Limited, as Director Finance and was holding the additional charge of CIO. He also worked in Bharat Petroleum in different roles in Finance and Non-Finance. His work experience spans for more than twenty-eight years. He has led the implementation of several strategic initiatives in Finance and Marketing. He has extensive experience in leading Transformation Processes leveraging Information Technology. He was involved in Organizational Restructuring, SAP driven BPR, Strategy Conceptualization and Execution for nearly ten years. In addition to this, he is also responsible for instituting and monitoring necessary internal and system controls, compliance with various statutes to ensure minimum risk exposure to the Company and ensuring presentation of true and fair financials by constant review of policies.

The Company has received from Mr. Ranganath (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the

Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and (iii) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by SEBI or any other such authority.

Considering the vast experience of Mr. Ranganath Raghupathy Rao, the Board is of the opinion that his appointment will be of immense benefit to the Company and recommends his appointment for the approval of the shareholders.

None of the directors and Key Managerial Personnel of the Company, or their respective relatives, except Mr. Ranganath, to whom the resolution relates, are, concerned or interested, financially or otherwise, in the resolution mentioned at item no. 4 of the Notice.

The Board recommends the Resolution set forth in item no. 4 for the approval of the Members.

Item no. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Ranaveer Sinha (DIN 00103398) as Independent Director, for a second term from August 2, 2019 to July 8, 2024 (i.e. upto attaining the age of 70 years), not liable to retire by rotation. Mr. Ranaveer Sinha was appointed as Independent Director at the 51st Annual General Meeting ("AGM") of the Company and holds office up to August 1, 2019. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a member, proposing his candidature for the office of Director.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Mr. Sinha would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Mr. Ranaveer Sinha was the Managing Director of Tata Hitachi Construction Machinery Co. Ltd., a joint-venture between Tata Motors and Hitachi Construction Machinery Co. Ltd. of Japan. Under his leadership, the company has grown to become India's foremost construction equipment company and has been recognized by being awarded the JRD QV Business Excellence Award from the Tata Group and also the Business Excellence Award Advanced Level by Japan Institute of Plant Maintenance. Since March 2013, he has been Member of the Board of Governors, XLRI, Jamshedpur. He has been associated with several national and international bodies being the past Chairman of Confederation of Indian Industry (CII), Jharkhand Council, Ex-Chairman of International Tube Association (2001 & 2002) and Past Chairman of Indian Earthmoving & Construction Industry Association Ltd.

Mr. Ranaveer Sinha had been appointed as an independent director of the Company with effect from August 2, 2014 and whose term of appointment is expiring on August 1, 2019, not liable to retire by rotation under the applicable provisions of the Companies Act, 2013. As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr. Ranaveer Sinha has given a declaration to the Board in terms of section 149(7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act. The matter regarding appointment of Mr. Ranaveer Sinha as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director to hold office for the period from August 2, 2019 upto attaining the age of 70 years i.e. July 8, 2024. As per Tata Code of Conduct in the opinion of the Board, Mr. Ranaveer Sinha fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management. The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable Regulations, the re-appointment of Mr. Sinha as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

None of the other Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Ranaveer Sinha, to whom the resolution relates, are, concerned or interested, financially or otherwise, in the Resolution mentioned at item No. 5 of the Notice.

The Board recommends the special resolution set forth at item no.5 of the Notice for approval of the shareholders.

Item nos. 6 & 7

Mr. Sumit Shubhadarshan is a Chartered Accountant and Cost Accountant. He has also completed One year General Management Program from XLRI, Jamshedpur and General Management Program from CEDEP, France and has participated in the Master class for Directors by Institute of Directors.

Mr. Sumit Shubhadarshan joined Tata Steel Limited in 1994. He has worked in various functions in Tata Steel - Tubes Division Accounts, Total Operational Performance Program, Managing Director's office, Strategy and Planning, Project Finance in Chhattisgarh project, Capital Planning & Procurement Accounts, Budgeting & Construction Planning, Engineering & Projects and Group Investment Management.

In September 2017, he was deputed to TRF Limited as Vice President (Commercial).

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors on September 14, 2018 appointed Mr. Sumit Shubhadarshan as the Managing Director of the Company for a period of 3 (three) years from September 15, 2018 to September 14, 2021 subject to approval of members.

Further, on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on September 14, 2018, approved the terms and conditions of Mr. Sumit Subhadarshan's appointment, subject to the approval of the members.

The main terms and conditions relating to appointment of Mr. Sumit Subhadarshan are as follows.

1. **Definitions and interpretation**

   1.1 Definitions

      1.1.1 '**Act**' means the Companies Act, 2013, as amended, modified or re-enacted from time to time.

      1.1.2 '**Confidential Information**' includes information relating to the business, products, affairs and finances of the Company or any of its associated companies or subsidiaries for the time being confidential to it or to them and trade secrets (including without limitation technical data and know-how) relating to the business of the Company, its subsidiaries or of any of its associated companies or of any of its or their suppliers, clients or customers.

      1.1.3 '**Intellectual Property**' includes patents, trademarks whether registered or unregistered, registered or unregistered designs, utility models, copyrights including design copyrights, applications for any of the foregoing and the right to apply for them in any part of the world, discoveries, creations, inventions or improvements upon or additions to an invention, confidential information, know-how and any research effort relating to any of the above mentioned business, names whether registrable or not, moral rights and any similar rights in any country of the Company or any of its associated companies or subsidiaries.

      1.1.4 '**Parties**' means collectively the Company and the Managing Director and "**Party**" means individually each of the Parties.

   1.2 Interpretation

      In this Agreement, unless the context otherwise requires:

      1.2.1 Any reference hereinto any clause is to such clause. The Recitals and Clauses to this Agreement including this Interpretation Clause shall be deemed to form part of this Agreement;

      1.2.2 The headings are inserted for convenience only and shall not affect the construction of this Agreement;

      1.2.3 Words importing the singular include the plural and vice versa;

2. Term and Termination

2.1 Subject as hereinafter provided, this Agreement shall remain in force up to 14th September, 2021 for a period of 3 years from the Date of Appointment unless terminated earlier.

2.2 This Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration in lieu of such notice.

3. Duties & Powers

3.1 The Managing Director shall devote his whole-time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the Managing Director from time to time by serving on the boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

3.2 The Managing Director shall not exceed the powers so delegated by the Board pursuant to clause 3.1 above.

3.3 The Managing Director undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

3.4 Mr. Sumit Shubhadarshan shall undertake his duties from such location as may be directed by the Board.

4. Remuneration

4.1 Tata Steel Limited on request made by the Company has sent on deputation Mr. Sumit Shubhadarshan as the Managing Director for a period of 3 years starting from 15th September, 2018. During the period of deputation, the Managing Director will continue to be on the payroll of Tata Steel Limited and such deputation cost will be reimbursed by the Company to Tata Steel Limited. The deputation cost as indicated by Tata Steel Limited is around Rs.120.55 lakhs per annum (including performance bonus) and will be billed on a monthly basis from the date of deputation. Any change in his status or location will cause a change in the deputation charges and hence should be suitably notified to Tata Steel Limited, as and when it is done.

Suitable annual increment shall be allowed every year during the period of deputation. This shall be communicated not later than June every year and shall be effective from 1st April of that financial year. In case there is a need for extension of deputation beyond the specified period, the deputation charges will be reviewed at the end of the deputation period based on the Related Party Transaction guidelines.

4.2 **Minimum Remuneration:** In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Managing Director's appointment, the Company shall pay to the Managing Director remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.

4.3 Managing Director shall not, so long as he functions as the Managing Director of the Company, entitled to receive any fee for attending any meetings of the Board or any Committee thereof.

4.4 The entire remuneration package of the Managing Director shall, however be subject to the overall ceiling laid down under Section 196 and 197 of the Act and conditions of Schedule V of the Act.

5. Variation

The terms and conditions of the appointment of the Managing Director and/or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.

6. Intellectual Property

6.1 Managing Director may make, discover or create Intellectual Property (IP) in the course of his employment and agree that in this respect the Managing Director has a special obligation to protect such Intellectual Property and use it to further the interests of the Company, or any of its associated companies or subsidiaries.

6.2 Subject to the provisions of the laws relating to intellectual property for the time being in force in India, if at any time during his employment, the Managing Director makes or discovers or participates in the making or discovery of any Intellectual Property relating to or capable of being used in the business for the time being carried on by the Company or any of its subsidiaries or associated companies, full details of the Intellectual Property shall immediately be communicated by him to the Company and such Intellectual Property shall be the absolute property of the Company. At the request and expense of the Company, the Managing Director shall give and supply all such information, data, drawings and assistance as may be required to enable the Company to exploit the Intellectual Property to its best advantage and the Managing Director shall execute all documents and do all things which may be necessary or desirable for obtaining patent or other protection for the Intellectual Property in such parts of the world as may be specified by the Company and for vesting the same in the Company or as it may direct.

6.3 The Company hereby irrevocably appoints the Managing Director of the Company as its attorney in its name and on its behalf to sign or execute any such instrument or do any such thing and generally to use its name for the purpose of giving to the Company or its nominee the full advantage of the provisions of this clause 6 and if in favour of any third Party, a certificate in writing signed by any Director or the Secretary of the Company that any instrument or act falls within the authority conferred by this clause shall be conclusive evidence that such is the case.

6.4 If the Intellectual Property is not the property of the Company, the Company shall, subject to the provisions of the applicable laws for the time being in force, have the right to acquire for itself or its nominee, the Managing Director's rights in the Intellectual Property within 3 months after disclosure pursuant to clause 6.2 above on fair and reasonable terms.

6.5 The rights and obligations under this clause shall continue in force after termination of the Agreement in respect of Intellectual Property relating to the period of the Managing Director's employment under the Agreement and shall be binding upon his heirs and legal representatives.

7. Confidentiality

7.1 The Managing Director is aware that in the course of his employment, he will have access to and be entrusted with information in respect of the business and finances of the Company including intellectual property, processes and product specifications, etc. and relating to its dealings, transactions and affairs and likewise in relation to its subsidiaries, associated companies, customers or clients all of which information is or may be of a confidential nature.

7.2 The Managing Director shall not except in the proper course of performance of his duties during or at any time after the period of his employment or as may be required by law divulge to any person whatever or otherwise make use of and shall use his best endeavours to prevent the publication or disclosure of any Confidential Information of the Company or any of its subsidiaries or associated companies or any of its or their suppliers, agents, distributors or customers.

7.3 All notes, memoranda, documents and Confidential Information concerning the business of the Company and its subsidiaries or associated companies or any of its or their suppliers, agents, distributors or customers which shall be acquired, received or made by the Managing Director during the course of his employment shall be the property of the Company and shall be surrendered by the Managing Director to the Company upon the termination of his employment or at the request of the Board at any time during the course of his employment.

8. Non-competition

The Managing Director covenants with the Company that he will not, during the continuance of his employment with the Company, without the prior written consent of the Board, carry on or be engaged, directly or indirectly, either on his own behalf or on behalf of any person, or as manager, agent, consultant or employee of any person, firm or company, in any activity or business, in India or overseas, which shall directly or indirectly be in competition with the business of the Company or its holding company or its subsidiaries or associated companies. The application of this clause needs to be read in conjunction with the relevant clauses in the Tata Code of Conduct, referred to in Clause 10 below.

9. Selling Agency

The Managing Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.

10. Tata Code of Conduct

The provisions of the Tata Code of Conduct shall be deemed to have been incorporated into this Agreement by reference. The Managing Director shall during his term, abide by the provisions of the Tata Code of Conduct in spirit and in letter and commit to assure its implementation.

11. Personnel Policies

All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.

12. Summary termination of employment

The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:

a. if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

b. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement; or

c. in the event the Board expresses its loss of confidence in the Managing Director.

13. Termination due to physical / mental incapacity

In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

14. Resignation from directorships

Upon the termination by whatever means of his employment under the Agreement:

a. the Managing Director shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company.

b. the Managing Director shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.

15. Agreement co-terminus with employment / directorship

If and when this Agreement expires or is terminated for any reason whatsoever, Mr. Sumit Shubhadarshan will cease to be the Managing Director and also cease to be a Director of the Company. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

16. Other Directorships

The Managing Director covenants with the Company that he will not during the continuance of his employment with the Company accept any other directorships in any company or body corporate without the prior written consent of the Board.

17. Non-Solicitation

The Managing Director covenants with the Company that he will not for a period of 1 year immediately following the termination of his employment under this Agreement, without the prior written consent of the Board endeavor or entice away from the Company (any L2 or above grade) who has at any time during the (2 years period) immediately preceding such termination been employed or engaged by the Company or any subsidiaries or associated companies at any time during the (2 years period) immediately preceding termination.

18. Notices

Notices may be given by either Party by letter addressed to the other Party at, in the case of the Company, its registered office for the time being and in the case of the Managing Director his last known address and any notice given by letter shall be deemed to have been given at the time at which the letter would be delivered in the ordinary course of post or if delivered by hand upon delivery and in proving service by post it shall be sufficient to prove that the notice was properly addressed and posted by hand or by electronic mail.

19. Miscellaneous

19.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of India.

19.2 Jurisdiction

The Parties have agreed to the exclusive jurisdiction of the Indian courts.

19.3 Entire Agreement

This Agreement contains the entire understanding between the Parties and supersedes all previous written or oral agreements, arrangements, representations, and understandings (if any) relating to the subject matter hereof. The Parties confirm that they have not entered into this Agreement upon the basis of any representations that are not expressly incorporated into this Agreement. Neither oral explanation nor oral information given by any Party shall alter or affect the interpretation of this Agreement.

19.4 Waiver

A waiver by either Party of a breach of the provision(s) of this Agreement shall not constitute a general waiver, or prejudice the other Party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement.

19.5 Severability

Each term, condition, covenant or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant or provision shall be held by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to operate.

19.6 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same agreement.

The draft agreement to be entered into with Mr. Sumit Shubhadarshan 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.

None of the Directors except Mr. Sumit Shubhadarshan or other Key Managerial Personnel of the Company, or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends passing of the resolution under item 6 & 7 as an Ordinary resolution and Special resolution, respectively.

Item No. 8

TRF had incorporated a subsidiary TRF Holdings Pte. Limited in Singapore on February 2, 2012 for acquisition of 49% stake in York Transport Equipment (Asia) Pte. Limited (York), Singapore.

As a part of Restructuring of subsidiaries, TRF had divested the entire investment in York which was jointly owned by TRF Singapore Pte. Ltd. (TRFS), Singapore (51%) and TRF Holdings Pte Ltd. (TRFH), Singapore (49%) as on April 30, 2018. Consequent to the divestment of entire investment in York, there is no activity in TRF Holdings Pte. Ltd.

The Board of Directors at their meeting held on April 15, 2019 decided to wind up TRF Holdings Pte Ltd. subject to approval of the members and other statutory approvals in India and Singapore, as may be required.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested in the Resolution mentioned at item No. 8 of the Notice, except to the extent of their shareholding, if any, in the Company.

The Board of Directors recommends the resolution set forth in item No. 8 in the notice for approval of members as an Special Resolution.

Item No. 9

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice.

The Board on the recommendation of Audit Committee, has approved the re-appointment of M/s. Shome & Banerjee, the Cost Auditors, to conduct the audit of cost records of the Company for the financial year 2019-20 at a consolidated remuneration of Rs. 3,50,000/- (plus applicable taxes) and they shall also be entitled for re-imbursement of out of pocket expenses as may be incurred by them, if any, during the course of their assignment.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2020.

M/s Shome & Banerjee have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s Shome & Banerjee have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their respective relatives is concerned or interested, financially or otherwise, in the resolution set forth at item No. 9 of the Notice.

The Board of Directors recommends the resolution set forth in item no. 9 of the notice for the approval of the Members.

By Order of the Board of Directors

Subhashish Datta
Company Secretary & Chief Commercial

Registered Office:
11, Station Road,
Burmamines,
Jamshedpur-831007
CIN- L74210JH1962PLC000700
Phone- 91 657 3046326
Fax- 91 657 2345732
Email Id- comp_sec@trf.co.in
Dated: April 15, 2019
Place : Kolkata

Annexure to the Notice

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

[Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Profile Sheet of Director - Mr. Vinayak Kashinath Deshpande	
Name: Mr. Vinayak Kashinath Deshpande **Current Title:** Non-Executive Director **Date of Birth:** 21.07.1957 **DIN:** 00036827 **Date of appointment:** 29.05.2018 **Expertise in specific functional areas:** Engineering & Projects **Qualifications:** Graduate in Chemical engineering (IIT Kharagpur) **Shareholding in TRF Limited:** Nil **Relationships with other Directors:** None	**Career Snapshot** Mr. Vinayak Kashinath Deshpande is presently the Managing Director of Tata Projects Limited. He is a graduate in Chemical Engineering (1980) from IIT, Kharagpur, having over 36 years of work experience in different roles, in diverse industries; starting with the design and sales of boilers and captive power plants at Thermax, to industrial automation and process controls at Tata Honeywell. At Tata Honeywell, he was the Managing Director of its India business for five years till 2004-05, wherein he grew the company's operations pan India, to achieve about 300% growth. Thereafter he had a successful stint as the Executive President (Operations) of Tata Teleservices. Mr. Deshpande took charge as Managing Director of Tata Projects in July, 2011. Since then Tata Projects has doubled its turnover, and achieved all-round excellence in its business of Industrial Infrastructure. In 2014-15, he had been instrumental in diversifying the company's business in `Urban Infrastructure' and 'Civil & Environment sectors', wherein the company has won projects to build Urban Metro systems and High Rise buildings. In 2015-16 the company diversified in `Smart Cities' subsequently winning an order for Smart Lighting in Pune City. In 2016-17 the company bagged its first order for River Rejuvenation in Jaipur (for Dravyavati River rejuvenation). Today Tata Projects has an order book of about Rs. 30,000 Cr, and is poised for rapid growth. With the future in mind, the company would be focusing on its six Business Units – EPC, Transmission & Distribution, Transportation, Civil & Environment, Urban Infrastructure and Quality Services. Under his mentorship, Tata Projects has been voted consecutively for the last 5 years as `India's Most Admired' and `Fastest Growing Construction Company' by `Construction World' journal. Mr. Deshpande too was voted as the Infrastructure Person of the Year for 2016-17. This year, Tata Projects also featured amongst `Economic Times Best Infrastructure Brands'. The Company was also awarded by EPC World for `Outstanding Contribution in Power T&D & Infrastructure'. `Dun & Bradstreet' too has listed Tata Projects amongst Top 10 Infra Companies in 2016.

Directorship held in other public Companies (excluding foreign Companies) as on 31.03.19: Tata Projects Limited, Kennametal India Limited, Artson Engineering Limited, Voltas Limited, Signify Innovations Limited.

Membership/Chairmanship of Committees of other public Companies

Name of Company	Name of Committee	Status
Kennametal India Limited	Audit Committee	Member
Signify Innovations India Limited	Audit Committee	Member
Signify Innovations India Limited	Stakeholders Relationship Committee	Chairman
Artson Engineering Limited	Nomination & Remuneration Committee	Member
Kennametal India Limited	Nomination & Remuneration Committee	Chairman
Signify Innovations India Limited	Nomination & Remuneration Committee	Member
Tata Projects Limited	Corporate Social Responsibility	Member
Artson Engineering Limited	Corporate Social Responsibility	Member

Profile Sheet of Director - Mr. Ranganath Raghupathy Rao	
Name: Mr. Ranganath Raghupathy Rao **Current Title:** Non Executive Director **Date of Birth:** 25.05.1959 **DIN:** 06725337 **Date of appointment:** 14.09.2018 **Expertise in specific functional areas:** Accounts & Finance **Qualifications:** B. Sc, CA **Shareholding in TRF Limited:** Nil **Relationships with other Directors:** None	**Career Snapshot** Mr. Ranganath Raghupathy Rao, Vice President Finance (India & South East Asia), Tata Steel Ltd is responsible the Financial Accounting, Taxation as well as Consolidation and Reporting of Financial Statements of the Tata Steel Group. Prior to joining Tata Steel, he worked in Cairn Energy India Ltd, as Director Finance and was holding the additional charge of CIO. He also worked in Bharat Petroleum in different roles in Finance and Non-Finance. His work experience spans for more than twenty-eight years. He has led the implementation of several strategic initiatives in Finance and Marketing. He has extensive experience in leading Transformation Processes leveraging Information Technology. He was involved in Organizational Restructuring, SAP driven BPR, Strategy Conceptualization and Execution for nearly ten years. In addition to this, he is also responsible for instituting and monitoring necessary internal and system controls, compliance with various statutes to ensure minimum risk exposure to the Company and ensuring presentation of true and fair financials by constant review of policies. Directorship held in other public Companies (excluding foreign Companies) as on 31.03.19: Jamshedpur Utilities & Services Company Limited, Industrial Energy Limited, Kalimati Global Shared Services Limited, Bamnipal Steel Limited.

Membership/Chairmanship of Committees of other public Companies

Name of Company	Name of Committee	Status
Jamshedpur Utilities & Services Company Limited	Audit Committee	Chairman
Industrial Energy Limited	Audit Committee	Member

Profile Sheet of Director - Mr. Ranaveer Sinha	
Name: Mr. Ranaveer Sinha **Current Title:** Independent Director **Date of Birth:** 9.07.1954 **DIN:** 00103398 **Date of appointment:** 2.08.2014 **Expertise in specific functional areas:** Engineering **Qualifications:** B.E. (Mech.), PGDBM (XLRI) **Shareholding in TRF Limited:** Mr Sinha holds 10 shares of the Company **Relationships with other Directors:** None	**Career Snapshot** Mr. Ranaveer Sinha is retired from the position of Managing Director of Tata Hitachi Construction Machinery Co. Ltd., a joint-venture between Tata Motors and Hitachi Construction Machinery Co. Ltd. of Japan. Under his leadership, the company has grown to become India's foremost construction equipment company and has been recognized by being awarded the JRD QV Business Excellence Award from the Tata Group and also the Business Excellence Award Advanced Level by Japan Institute of Plant Maintenance. Since March 2013, he has been a Member of the Board of Governors, XLRI. He was also the Chairman of Serviplem SA and Comoplesa Lebrero SA, Spain, and North Baryval Special Vehicles (NBSV) in China, the companies that have been acquired by Tata Hitachi. He has also been mentoring a number of companies and helping them in their quest for Business Excellence. He has been associated with several national and international bodies being the past Chairman of Confederation of Indian Industry (CII), Jharkhand Council, Ex-Chairman of International Tube Association (2001 & 2002), and Past Chairman of Indian Earthmoving & Construction Industry Association Ltd. Directorship held in other public Companies (excluding foreign Companies) as on 31.03.19: Ramkrishna Forgings Limited Membership/Chairmanship of Committees of other public Companies as on 31.03.19: Nil

Profile Sheet of Director - Mr. Sumit Shubhadarshan	
Name: Mr. Sumit Shubhadarshan **Current Title:** Managing Director **Date of Birth:** 25.04.1969 **DIN:** 07004155 **Date of appointment:** 15.09.2018 **Expertise in specific functional areas:** Finance & Commercial **Qualifications:** B. Sc, CWA, CA, GMP (XLRI), GMP (CEDEP) **Shareholding in TRF Limited:** Nil **Relationships with other Directors:** None	**Career Snapshot** Mr. Sumit Shubhadarshan joined Tata Steel Ltd in 1994. He has worked in various functions in Tata Steel - Tubes Division Accounts, Total Operational Performance Program, Managing Director's office, Strategy and Planning, Project Finance in Chhattisgarh project, Capital Planning & Procurement Accounts, Budgeting & Construction Planning, Engineering & Projects and Group Investment Management. In September, 2017, he was deputed to TRF Ltd. as Vice President (Commercial). Mr. Shubhadarshan is a Chartered Accountant and Cost Accountant. He has completed One year General Management Program from XLRI, Jamshedpur and General Management Program from CEDEP, France. Trainings Attended: He has participated in the Master Class for Directors by Institute of Directors Directorship held in other public Companies (excluding foreign Companies) as on 31.03.19: Tata Korf Engineering Services Ltd Membership/Chairmanship of Committees of other Public Companies as on 31.03.19: Nil

Information relevant to the appointment of Mr. Sumit Shubhadarshan as the Managing Director as required under Section II of Part II of Schedule V of the Companies Act, 2013:

GENERAL INFORMATION

(1) **Nature of Industry:** Engineering

TRF Limited ("TRF" or the "Company") has been engaged in the business of designing & manufacturing of the Bulk material handling systems and equipments for core sector industries such as power, ports, steel, mining and cement for projects undertaken on Turnkey basis. The equipments include Crushers, Screens, Feeders, Conveying equipment, Mining equipment, Wagon tippler systems and Stacker reclaimers. The other primary area of business is as follows-

- Electromechanical jobs
- Industrial structure and fabrication
- Life Cycle Services and allied services

The manufacturing facility of the Company is located at its Jamshedpur works on a 21 acre area (covered area: 26,050 sq. mts.) at Burmamines locality.

(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	2016-17	2017-18	2018-19
Turnover (Sales)	51,978.69	35,395.12	23,705.82
Net Profit/(Loss) before Tax	(4,933.70)	(16,555.80)	(10,556.90)
Net Profit/(Loss) after Tax	(2,691.10)	(14,597.65)	(10,556.90)
Amount of dividend	Nil	Nil	Nil
Rate of dividend declared (%)	Nil	Nil	Nil

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

(Rs. in lakhs)

	2016-17	2017-18	2018-19
Foreign exchange earnings including deemed export	18,338.05	4,445.36	Nil
Foreign exchange expenditure outgoings equivalent	332.92	421.50	421.60

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

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: Mr. Sumit Shubhadarshan is a Chartered Accountant and Cost Accountant. He has completed One year General Management Program from XLRI, Jamshedpur and General Management Program from CEDEP, France. He has participated in the Master class for Directors by Institute of Directors.

1(b) Experience: He has over 24 years of experience in Tata Steel Limited in various positions.

2. Past remuneration- Rs 7.94 Lac per month (As Vice President- Commercial)

3. Recognition and awards: He has CEDEP Management Programme from INSEAD France to his credit.

4. Job profile and his suitability:

(a) **His job profile and responsibilities inter-alia include-**

(i) Zero Fatality in Operations.

(ii) Providing Insights for Effective functioning of Board and its Committees and ensure deployment of Tata Steel Group Governance framework and Process compliance.

(iii) Strategy Development and Deployment.

(iv) To make the Company financially viable by driving Organizational Performance.

(v) Drive Achievement of Annual Business Plan.

(vi) Create long term value generation for all stakeholders.

(b) **Suitability**

Mr. Sumit Shubhadarshan joined Tata Steel Ltd in 1994. He has worked in various functions in Tata Steel-Tubes Division Accounts, Total Operational Performance Program, Managing Director's office, Strategy and Planning, Project Finance in Chhattisgarh project, Capital Planning & Procurement Accounts, Budgeting & Construction Planning, Engineering & Projects and Group Investment Management.

In view of Mr Shubhadarshan's vast experience in various operations of Tata Steel and the high esteem in which he held in the corporate circle for his business acumen and leadership qualities, the Board considers Mr. Shubhadarshan as the most suitable professional for shouldering the responsibility of the Managing Director of the Company.

5. Remuneration proposed:

Salary Perquisites & Allowances Performance Bonus/Commission	The deputation cost as indicated by Tata Steel Limited is Rs.120.55 lakhs per annum (including performance bonus) and will be billed on a monthly basis from the date of deputation. Any change in his status or location will cause a change in the deputation charges and hence should be suitably notified to Tata Steel Limited, as and when it is done.
Minimum Remuneration only in case of absence or inadequacy of profits during any financial year	In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Managing Director's appointment, the Company shall decide remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.

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. Sumit Shubhadarshan has no other pecuniary relationship directly/indirectly with the Company. Mr. Sumit Shubhadarshan 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 remuneration in any of the three years of his appointment, as laid down in Part II in Section II to Schedule V of the Companies Act, 2013, 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 supply of Equipments, Electromechanical Jobs and Lifecycle Services.

b) Improvement in productivity and optimum utilisation of resources of the Company.

c) Turnaround 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 and make the Company profitable.

Highlights

Rupees in lakhs

	2018-19 Consolidated	2017-18 Consolidated	2016-17 Consolidated
Sales & Service (Net)	**34,919.78**	44,177.58	60,250.00
Other Income	**1,166.58**	488.57	712.13
Exceptional Item	**1,399.11**	-	418.67
Employee Cost	**5,981.54**	6,848.19	6,140.45
Depreciation	**461.74**	499.46	552.97
Finance Cost	**6,337.25**	4,894.50	4,775.79
Profit & (Loss) before exceptional items & taxes	**(11,681.16)**	(18,497.89)	(7,993.78)
Provision for taxes (net) / write back	**135.37**	(1,802.62)	(2,111.95)
Profit & (Loss) after taxes from continuing operation	**(10,417.42)**	(16,695.27)	(5,463.16)
Profit & (Loss) after taxes from discontinued operation	**6931.11**	3,283.92	3,053.02
Profit & (Loss) after taxes for the year	**(3,486.31)**	(13,411.35)	(2,410.14)
Works Production	**7575.65**	17,671.11	26,793.22
Progress Billing	**9,590.82**	25,762.86	38,010.87
	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017
Net Fixed Assets	**11400.69**	19,445.56	20,981.00
Share Capital	**1100.44**	1,100.44	1,100.44
Reserves & Surplus	**(1,159.30)**	(21,182.79)	(9,237.54)
Net Worth	**(58.86)**	(20,082.35)	(8,137.10)
Borrowings	**19,649.52**	33,028.25	47,869.20
Net worth per share (Rs.)	**(0.53)**	(182.49)	(73.94)
Debt Equity Ratio	**(333.83:1)**	(1.64:1)	(5.88:1)
No of Employees	**901**	1,060	1,376

DIRECTORS' REPORT

To the Members

The Directors present the 56th Annual Report and Annual Accounts on the business and operations of your Company along with a summary of Standalone and Consolidated Financial Statements for the year ended 31st March, 2019.

A. Financial Results

Figures in Rupees Lakhs

	TRF Standalone		TRF Group	
	FY'19	FY'18	**FY'19**	FY'18
Revenue from operations	**23,705.82**	35,395.12	**34,919.78**	44,177.58
Other income	**733.90**	535.73	**1,166.58**	488.57
Total income from operations	**24,439.72**	35,930.85	**36,086.36**	44,666.15
Total expenses excluding finance costs & depreciation	**32,212.67**	50,148.74	**42,404.60**	58,513.24
Profit/(loss) from operations before finance costs, depreciation and exceptional items	**(7,772.95)**	(14,217.89)	**(6,318.24)**	(13,847.09)
Finance cost	**6,086.85**	4,674.16	**6,337.25**	4,894.50
Depreciation	**339.14**	366.75	**461.74**	499.46
Profit/ (loss) before share of profit/(loss) of joint ventures, exceptional item and tax	**(14,198.94)**	(19,258.80)	**(13,117.23)**	(19,241.05)
Share of profit/(loss) from joint ventures	**-**	-	**1,436.07**	743.16
Profit/(loss) before exceptional items and tax	**(14,198.94)**	(19,258.80)	**(11,681.16)**	(18,497.89)
Exceptional items	**3,642.04**	2,703.00	**1399.11**	-
Profit/(loss) before tax	**(10,556.90)**	(16,555.80)	**(10,282.05)**	(18,497.89)
Tax expense	**-**	(1,958.15)	**135.37**	(1,802.62)
Net profit/(loss) after tax from continuing operation	**(10,556.90)**	(14,597.65)	**(10,417.42)**	(16,695.27)
Profit/(loss) after tax from discontinuing operation	**-**	-	**6,931.11**	3283.92
Profit/(loss) after tax for the year	**(10,556.90)**	(14,597.65)	**(3,486.31)**	(13,411.35)
Other comprehensive income	**182.31**	0.07	**727.37**	1,450.45
Total comprehensive income	**(10,374.59)**	(14,597.58)	**(2,758.94)**	(11,960.90)

Transfer of Reserves: In view of losses, there is no transfer from profit and loss account to general reserve.

Dividend: No dividend has been recommended by the Directors for the Financial Year under review.

Management Discussion and Analysis

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is incorporated herein by reference and forms an integral part of this report (Annexure 1).

B. Economic Outlook

The structural reforms undertaken by the Government, such as implementation of Goods & Service Tax (GST) for widening of tax base, Insolvency & Bankruptcy Code (IBC) and Bank recapitalization for credit growth push, Liberalization of Foreign Direct Investment (FDI) and ease of doing business is expected to provide much needed impetus to expand economic activity. However, external headwinds such as spillover effects of the global trade conflict, geo-political tensions, high crude prices, tightened global financial conditions and weaker rupee will continue to dent investment activity and consumption. The stable political outcome of the forthcoming general elections will provide the necessary boost to capital inflow and investment activity, particularly in Infrastructure sector where the Company operates.

C. Operation and Performance

TRF

Your Directors are pleased to inform that the Company has successfully completed the Performance Guarantee test, obtained operational acceptance and partial COF (Completion of Facilities) Certificate at NTPC Barh Project. The Company has achieved contract closure of NTPC Mouda.

Through concerted and vigorous efforts, the Company has been able to collect nearly Rs. 34 crore in retention money against existing major projects this year. The Company has also been able to substantially reduce its overall Bank Guarantee exposure to Rs. 327 crore as of March 31, 2019 from Rs. 534 crore as of March 31, 2018.

During the year, the Company reduced the short term borrowings by Rs 116 crore to Rs 153 crore as of March 31, 2019 from Rs 269 crore as of March 31, 2018 while long term borrowings were reduced by Rs 68 crore to Rs 34 crore as of March 31, 2019 from Rs 102 crore as of March 31, 2018.

While the broader economy witnessed improvement, infrastructure growth remained sluggish. Some of the major over-leveraged companies in the infrastructure, power generation and steel sector have been referred to National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code (IBC). Out of which, few were the customers of the Company. As a result, the business was adversely affected.

The emphasis inter-alia during the year was to complete the ongoing projects. It is expected that the projects which are in an advanced stage of completion will be completed during the year. Other projects which have been completed, the focus will be to accomplish their financial closure and collect retention money.

The Company is also exploring the opportunity to further its business with Tata Steel, for which approval of shareholders has been obtained in March 2019. Opportunities are being explored in the areas of Electromechanical Jobs, Industrial Structures and Life Cycle services. The above measures will assist in improving the performance of the Company.

Operations and Performance of Subsidiary Companies

York Group

TRF sold York Transport Equipment (Asia) Pte. Limited, a step down subsidiary along with its subsidiaries, at a total gross consideration of USD 43.56 Mi (Rs. 309 crore) and net consideration of USD 22.23 Mi (Rs. 157.8 crore) to SAF-Holland GMBH on April 30, 2018. Consequent to such sale, TRF Singapore Pte Limited exercised schemes of capital reduction to the tune of Rs. 121.85 crore and Rs. 13.8 crore in September 2018 and March 2019 respectively helping improve cash flows for TRF.

Dutch Lanka Trailer Manufacturers Ltd (DLT)

DLT based in Sri Lanka, manufactures and exports Ports and Road trailers globally.

The turnover of DLT Group in Financial Year 2018-19 was Rs 7,139.17 lakh compared to Rs 5,321.09 (Incl excise) lakh during the previous year. The Consolidated Profit Before Tax of DLT Group for Financial Year 2018-19 was Rs 2,274.80 lakh compared to a Profit of Rs 818.99 lakh in Financial Year 2017-18.

DLT has expanded its market reach to the USA by winning a tender to supply 35 Terminal Trailers to Wilmington Port, Delaware, USA. The Company has entered markets in the Dominican Republic and South America and re-gained markets in Peru and Australia.

Tata International DLT Pvt. Ltd (Tata DLT):

The turnover of the Tata DLT, the joint venture company of DLT, Financial Year 2018-19 was Rs. 50,657.03 lakh compared to Rs 35,567.94 lakh during the previous year. The Profit before Tax for Financial Year 2018-19 was Rs 4,029.71 lakh compared to a Profit of Rs 2,206.82 lakh in Financial Year 2017-18.

More than 28500 trailers by Tata DLT are running on Indian roads and serving various applications. It introduced India's first intelligent trailer which ensures greater road safety and ensures enhanced operational and braking efficiency. Tata DLT developed various new variants in the market such as 34 feet - 5 feet Side Wall Trailer (SWT), 34 feet - 5.5 feet SWT, 34 feet - 6 feet (Plain Sheet) SWT. The Company introduced a 16-wheeler low bed trailer for transportation of heavy machinery for infrastructure projects. It also introduced 16 Cum HD Tipper on Tata LPK 2518 chassis.

Hewitt Robins International Ltd (HRIL)

The turnover of HRIL in Financial Year 2018-19 was Rs 4,075.41 lakh compared to Rs 3,459.53 lakh during the previous year. The Profit before Tax of HRIL for Financial Year 2018-19 was Rs. 611.28 lakh compared to a Profit of Rs 688.94 lakh in Financial Year 2017-18.

HRIL bagged its first export order to Zambia. It supplied large replacement screens to customers in the UK and France. With the supply of equipment in the asphalt sector, the Company has been able to create new market opportunities.

In terms of the fourth proviso to sub section 1 of section 136 of the Companies Act 2013, the separate audited accounts of each of the subsidiaries are available on the website of the Company at www.trf.co.in. Any shareholder who wants a copy of the audited financial statement of the Company's subsidiaries can request for the same. Shareholders can send an email at investors@trf.co.in or write a letter to the Company Secretary of the Company addressed to the registered office. The details of all subsidiaries and joint ventures are given in Annexure 2. There has been no new addition of subsidiaries/Joint Ventures during the year under review. The Company has in terms of Listing Regulations adopted a Policy for determining material subsidiaries. The said policy is available on the website of the Company at www.trf.co.in.

D. Share Capital

During the Financial Year under review, the Company has increased its Authorized Share Capital from Rs. 30 crore to Rs. 280 crore by way of additional 25 crore Preference Shares of Rs. 10 each.

The Company has raised Rs. 250 crore from Tata Steel Limited by issuance of 12.5% Non-convertible Redeemable Preference Shares on Private Placement basis. Consequently, the paid-up Share Capital of the Company has increased from Rs. 11 crore to Rs. 261 crore.

E. Credit Rating

During the year, CARE Ratings maintained the rating of the Company BBB+.

F. CSR and Affirmative Action

TRF ladies association under the guidance of Company officials has undertaken various CSR initiatives in the areas of education, literacy, health, environment protection and climate change. The Company encourages its employees to voluntarily participate in various welfare activities.

In view of continuous losses incurred by the company, the provisions of Section 135(5) of the Companies Act, 2013 which mandates to spend at least 2% of the average net profit of last three years towards CSR are not applicable to the Company.

G. Human Resource and Industrial Relations

Human resource development, retention and engagement continue to be a focus area. The company conducted a technical competency assessment of workers and officers during the year. Further behavioral review was done through 'Thomas Profiling'. Based on the outcomes of the assessment, the organization structure was revamped to meet the new business opportunities and challenges.

H. Corporate Governance

Pursuant to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 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.

Board Meetings

The Board met 9 times during the year. The details are given in the Corporate Governance report that forms a part of the Annual Report.

Selection of New Directors and Board membership criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics skills and experts for the Board as a whole and its individual members with the objective of having a Board with diverse background and expertise. Characteristics expected of all directors include independence, integrity, high personal and professional ethics, sound business judgment and ability to participate effectively in deliberations. The policy has been given in this report as Annexure-3

Director's induction / familiarization

All individual directors inducted into the Board are given an orientation. Presentations are made by the Managing Director and senior management and also visit to the factory is organized. The policy on the company's familiarization programme is posted on the Company's website www.trf.co.in.

Evaluation

The evaluation of the Board, Board Committees and Directors were carried out in accordance with the provisions of Companies Act, 2013, SEBI LODR and Guidance note issued by SEBI vide circular no SEBI/CFD/CMD/CIR/2017/004 dated January 4, 2017. Questionnaire forms were circulated to all the Directors for their feedback on Board, Board Committee and Director evaluation. A meeting of the independent Directors was held on January 10, 2019 where they reviewed and discussed the feedback on the functioning of the Board, Board Committees, Chairman, other Directors, guidance provided by Directors to the management outside the meetings and the quality, quantity and timeliness of flow of information between the Company and the Board. The Nomination and Remuneration Committee (NRC) at its meeting held on January 10, 2019 also reviewed the feedback on the evaluation of the functioning of the Board, Board Committees, Chairman and other Directors. The Board reviewed and discussed the feedback of the meeting. The Chairman of the Board had one–on-one meeting with the Independent Directors and Chairman of NRC had one-on-one meeting with Executive Directors.

Compensation policy for the Board and Senior Management

Based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board has approved the remuneration policy for the Directors, Key Managerial Personnel and all other employees of the Company. The remuneration policy for Directors, Key Managerial Personnel and other employees is given in this report as Annexure-4. Weblink of the policy is http://trf.co.in/pdf/policies/policy-directors-KMP-employee-remuneration.pdf

Independent Directors Declaration

The Company has received the necessary declaration from each Independent Director in accordance with the section 149 (7) of the Companies Act 2013 that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

Appointment /Reappointment

i) Mr. Sumit Shubhadarshan

The Board at its meeting held on September 14, 2018 considered the recommendation of the Nomination and Remuneration Committee and appointed Mr. Sumit Shubhadarshan as the Managing Director of the Company for a period of 3 (three) years with effect from September 15, 2018.

Mr. Sumit Shubhadarshan is a Chartered Accountant and Cost Accountant. He has completed one year General Management Program from XLRI, Jamshedpur and General Management Program from CEDEP, France.

Mr. Shubhadarshan joined Tata Steel Limited in 1994. He has worked in various functions in Tata Steel - Tubes Division Accounts, Total Operational Performance Program, Managing Director's office, Strategy and Planning, Project Finance in Chhattisgarh project, Capital Planning & Procurement Accounts, Budgeting & Construction Planning, Engineering & Projects and Group Investment Management.

In September, 2017, he was deputed from Tata Steel Limited to TRF Limited as the Vice President (Commercial).

ii) Mr. Ranganath Raghupathy Rao

The Board at its meeting held on September 14, 2018 considered the recommendation of the Nomination and Remuneration Committee and appointed Mr. Ranganath Raghupathy Rao as an Additional Director to hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice from a member proposing his appointment as a Director of the Company at the ensuing Annual General Meeting. He shall be liable to retire by rotation.

Mr. Ranganath Raghupathy Rao, Vice President Finance (India & South East Asia), Tata Steel Limited is responsible for the Financial Accounting, Taxation as well as Consolidation and Reporting of the Financial Statements of the Tata Steel Group. Prior to joining Tata Steel, he worked in Cairn Energy India Ltd, as Director Finance and was holding the additional charge of CIO. He also worked in Bharat Petroleum in different roles in Finance and Non-Finance. His work experience spans for more than twenty-eight years. He has led the implementation of several strategic initiatives in Finance and Marketing. He was involved in Organizational Restructuring, SAP driven BPR, Strategy Conceptualization and Execution for nearly ten years. His responsibilities include Accounting Operations of the Company spread across multiple locations in the Country involving diverse operations ranging from Mining, Manufacturing and Trading. In addition to this, he is also responsible for instituting and monitoring necessary internal and system controls, compliance with various statutes to ensure minimum risk exposure to the Company and ensuring presentation of true and fair financials by constant review of policies.

Relinquishment

i) Mr. Sandip Biswas

Mr. Sandip Biswas relinquished the Chairman's Office and membership of the Board with effect from September 15, 2018. The Directors and Management placed on record their sincere appreciation for the valued contribution made by Mr. Sandip Biswas during his tenure.

ii) Mr. Sanjay Rajoria

Mr. Sanjay Rajoria relinquished the Managing Director's Office and membership of the Board with effect from closure of business hours on September 15, 2018 for an assignment in Tata Steel Group. The Directors and Management placed on record their sincere appreciation for the valued contribution made by Mr. Sanjay Rajoria during his tenure.

iii) Dibyendu Bose

Mr. Dibyendu Bose relinquished the Director's Office and membership of the Board with effect from August 27, 2018. The Directors and Management placed on record their sincere appreciation for the valued contribution made by Mr. Dibyendu Bose during his tenure.

Key Managerial Personnel (KMP)

Pursuant to Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are:

1) Mr. Sumit Shubhadarshan, Managing Director
2) Mr. Shaktishree Das, Chief Financial Officer
3) Mr. Subhashish Datta, Company Secretary

The Key Managerial Personnel appointed during the year are as under:

Sl. No.	Name	Designation	Date of Appointment
1	Mr. Sumit Shubhadarshan	Managing Director	September 15, 2018
2	Mr. Shaktishree Das	Chief Financial Officer	January 16, 2019
3	Mr. Subhashish Datta	Company Secretary	January 11, 2019
4	Mr. Pankaj Kumar Choubey	Company Secretary	July 27, 2018

KMPs ceased during the year are as under :

Sl. No.	Name	Designation	Date of cessation
1	Mr. Sanjay Rajoria	Managing Director	September 14, 2018
2	Mr. K Sujit Mathai Mathew	Chief Financial Officer	October 26, 2018
3	Mr. Tarun Kumar Srivastava	Company Secretary	May 15, 2018
4.	Mr. Pankaj Kumar Choubey	Company Secretary	January 11, 2019

The Company places on record its sincere appreciation for the valued contribution made during their tenure.

Managerial Remuneration

Details of remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 5.

Directors' Responsibility Statement

Based on the representations received from the Operating Management, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and 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 the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Audit Committee

The constitution of the Audit Committee, Terms of Reference and the dates on which meetings of the Audit Committee were held are mentioned in the Corporate Governance Report for Financial Year 2018-19 forming a part of this Annual Report.

There has been no instance where Board has not accepted the recommendations of the Audit Committee during the year under review.

Internal Financial Control Systems and their Adequacy

The Board of Directors of the Company are responsible for ensuring that Internal Financial Controls have been laid down in the Company and that such controls are adequate and operating effectively. The foundation of Internal Financial Controls (IFC) lies in the Tata Code of Conduct, policies and procedures adopted by the management, corporate strategies, annual business planning process, management reviews, management system certifications and risk management framework.

The Company has in place an established internal financial control system designed to ensure proper recording of financial and operational information and compliance of various internal control and other regulatory and statutory compliances commensurate with the scale, size and complexity of its operations. The controls based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed. The framework on Internal Financial Control over Financial Reporting has been reviewed by the internal and statutory auditors.

The Audit Committee has also reviewed the effectiveness of internal controls and compliance control, related party transaction, the status of IFC and Key Accounting Controls.

Related party transactions

Details of transaction with related parties in Form AOC-2 is given in Annexure 6. The details of transactions with related parties as per Ind AS 24 are disclosed in notes to accounts.

The Company has adopted a Policy on Related Party Transactions. The said policy is available on the website of the Company at http://trf.co.in/pdf/Revised-Policy-on-Related-Party-transactions-TSGC.pdf.

Whistle Blower Policy/Vigil Mechanism

The Board of Directors of the Company had adopted a Vigil Mechanism comprising of Whistle Blower Policy for Directors, Employees and Vendors of the Company. Whistle Blower Policy is a mechanism through which Directors, Employees and Vendors can report concerns about unethical, actual or suspected fraud or violation of Company's code of conduct or ethics to the Ethics Counselor / Chairman Audit Committee, thereby ensuring that the activities of the Company are conducted in a fair and transparent manner.

The details of Whistle Blower Policy/Vigil Mechanism existing in the Company are mentioned in the Corporate Governance Report for Financial Year 2018-19 forming part of the Annual Report.

During the year, the Company received 10 ethics complaints of which 9 were investigated and appropriate action was taken. Investigations are underway for the remaining complaint.

There has been no reporting of fraud by the Auditors for the Financial Year 2018-19.

Disclosure under Sexual Harassment of women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

TRF has a stringent policy for prevention of sexual harassment of women at workplace and management takes a zero-tolerance approach towards those indulging in any form of sexual misconduct. TRF has duly constituted an Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year, there were no cases of sexual harassment received by the Company.

Risk Management Policy

The Board had at its meeting held on 26th December, 2005 adopted Risk Management Framework for the Company for identification and prioritization of various risks based on pre determined criteria relating to i) Strategic Risk ii) Operational Risk and iii) Functional Risk. The Company has developed risk registers and has identified key risks and has also framed risk mitigation plan for the same.

Risk management process in the Company is an on-going activity and steps are being taken to improve the same.

H. Statutory Auditors

M/s Price Waterhouse & Co Chartered Accountants LLP (PwC) (Firm Registration No. 304026E/E-300009) were appointed as Auditors by the Members at their 54th Annual General Meeting (AGM) held on July 27, 2017 to hold office for 5 years from the conclusion of the said 54th AGM until the conclusion of 59th AGM. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

I. Cost Auditors

As per Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 the Company is required to maintain cost records and accordingly records are made and maintained. The Company is also required to have audit of its cost records conducted by a Cost Accountant in practice.

The Board of Directors had re-appointed M/s Shome & Banerjee, Cost Accountants (Firm Registration no 000001), Kolkata as Cost Auditors of the Company for the Financial year 2018-19. The remuneration of the said Auditors was approved by the Members at their last Annual General Meeting held on July 27, 2018. The Cost Audit Report along with annexure for the Financial Year 2017-18 was filed within the stipulated time.

M/s Shome & Banerjee, Cost Accountants have been re-appointed by the Board of Directors as Cost Auditors of the Company for the Financial Year 2019-20. In terms of section 148, approval of Members is sought at the ensuing Annual General Meeting for appointment and payment of remuneration to the said Auditors.

J. Secretarial Auditors and Secretarial Audit Report

The Board of Directors had re-appointed M/s P. K. Singh & Associates, Practising Company Secretaries (Firm Registration No P2002JH045700) having their office at Room no 309, Vikash Bhawan (AIADA), Main Road, Adityapur, Jamshedpur-831013 as Secretarial Auditors of the Company for the Financial Year 2018-19. The Secretarial Audit Report for Financial Year 2018-19 is given in Annexure 7.

K. Extract of Annual Return

Extract of Annual Return in Form MGT 9 as required under section 92(3), 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available as soft copy on the weblink http://trf.co.in/pdf/investors_relations/share-holders-info/FormMgt-09.pdf. Members can view and download the same.

L. Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

M. Legal Orders

There are no significant/material orders of Courts/ Tribunal/Regulation affecting the Company's going concern status. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

N. Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments as required under section 186 of the Companies Act, 2013 is given in Annexure 8.

O. Environment: (Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo)

Although the operations of the Company at Jamshedpur and its project sites are basically non-polluting in nature, adequate precautions are taken to comply with all regulatory requirements in this regard at all locations. In addition to ensuring compliance with the legal norms, the Company continues its efforts towards urban beautification and tree plantation. As required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the relevant particulars are given in the Annexure 9.

P. Deposit

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

Q. Other Disclosures

- No Director of the Company occupies the position of Managing Director or Whole time Director in any of the subsidiaries of the Company.
- Changes affecting the financial position of the Company from the end of the Financial Year up to the date of the report will be reported in Quarter one of Financial Year 2019-20 results.
- There has been no change in the nature of business of the Company during the year under review.
- At the ensuing Annual General Meeting, no new Independent Director is being appointed.
- The Company has not given loan to its employees to purchase or subscribe fully paid up shares in the Company in terms of Section 67(3)(c) of the Companies Act, 2013 and Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- The provisions of Section 131(1) of the Companies Act, 2013 are not applicable. The average net profits for the immediately preceding three Financial Years are negative.
- In view of losses incurred in immediately preceding 3 financial years, the provisions of Section 135(5) of the Companies Act, 2013 relating to CSR are not applicable.
- The Company has not issued shares with differential voting rights, sweat equity shares, employee stock option.

ACKNOWLEDGEMENT

We thank our shareholders, customers, vendors, investors, business associates and bankers for their continued support during the year. We place on record appreciation of the contribution made by all the employees towards improving productivity and in the implementation of various initiatives to reduce internal costs and bring about improvement in operational efficiencies.

We also thank our workers' union for their cooperation and support.

On behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman
DIN : 07715246

Place: Kolkata
Date: April 15, 2019

Annexure-1

Management Discussion & Analysis

1. **Industry, Structure and Development**

Global growth is experiencing signs of slowdown which is driven in large part by the weakness in Chinese economic growth, escalating trade tariff wars between the United States and China, deteriorating risk sentiment, tighter financial conditions and Brexit risks. The International Monetary Fund projects the global growth to slow from 3.6 in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020.

Financial Year 2019 was a year of recovery for the Indian Economic Activity overcoming the impact of demonetization and GST implementation. However, private consumption remained muted.

While India is expected to remain the fastest growing major economy in Financial Year 2020, the tighter global financial conditions, weak global economic momentum will be the significant external headwinds. The stable political outcome, lower oil prices, stronger rupee, easing inflation, slower pace of monetary tightening, better GST realizations and normal rains along with government announced fiscal stimulus to boost consumption may aid in reducing the headwinds and support growth in Financial Year 2020.

The cumulative growth of Index of Industrial Production (IIP) in Financial Year 2019 (Apr'18- Mar'19) stood at 3.6% against 4.4% in the corresponding period of the previous year. Cumulative growth in the Mining, Manufacturing and Electricity sectors during Apr'18-Mar'19 over their corresponding periods of the previous year have been at 2.9% (2.3%), 3.6%(4.6%) and 5.2%(5.4%) respectively. Capital Goods sector grew at 2.8% (Apr '18-Mar '19) versus 4.0% (Apr '17-Mar '18).

Some of the major highly leveraged companies in the infrastructure, power generation and steel sector have been referred to National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code (IBC). Out of which, few were the customers of the Company. As a result, the business was adversely affected. Overall the sectors that the Company operates in remained depressed, adversely impacting the business of the Company. Resolution under IBC and effective monitoring of credit quality by Banks is expected to provide stable and favorable markets from Financial Year 2020 onwards.

The Company has been engaged in the business of designing & manufacturing of the bulk material handling systems and equipment for the core sector industries such as power, ports and steel for projects undertaken on Turnkey basis. The equipment include Crushers, Screens, Feeders, Conveying equipment, Mining equipment, Wagon tippler systems and Stacker reclaimers.

The Company is also exploring the opportunity to further expand its business with Tata Steel, for which approval of shareholders has been obtained in March 2019. The primary focus area of the business of the Company is Electro Mechanical Jobs, Industrial Structure & Fabrication and Life Cycle Services. The above measures will improve the performance of the Company.

Going forward, the Company plans to expedite closure of ongoing projects, improve operational efficiencies, explore options for restructuring of subsidiaries, optimize working capital and build human resource capability.

2. **Opportunities**

   a. Significant opportunities of growth exists over the next few years in key sectors such as Steel, Ports, Mining and Power for equipment and life cycle services

   b. Opportunities in the Structural business including fabrication and erection

   c. Opportunity of partnering with Tata Steel for its growth projects.

3. **Threats**

   a. The emergence of Global players delivering an extended range of products endowed with latest technology

   b. An extended period of weak investment growth to result in a shortage of orders

   c. Company's inability to meet the pre-qualification criteria of positive net worth to result in loss of orders

   d. Delay in Performance Guarantee test leading to delay in collection of retention money and site closure

4. **Financial Performance**

On a standalone basis, total income from operations of your Company during the year was Rs. 24,440 lakh (Previous year Rs. 35,931 lakh). Loss after tax for the year was Rs 10,557 lakh (Previous year loss after tax was Rs. 14,598 lakh).

On a consolidated basis, total income from operations of your Company during the year was Rs 36,086 lakh, (Previous year Rs. 44,666 lakh). Loss before tax for the year was Rs.10,282 lakh (Previous year Loss before tax was Rs. 18,498 lakh). Total comprehensive loss for the year was Rs. 2,759 lakh (Previous year Rs. 11,961 lakh).

Segment-wise Performance

Standalone:

The Projects and Services segment has posted a revenue of Rs 13,808 lakh (Previous Year Rs. 24,865 lakh) and the Products and Services segment has posted a revenue of Rs. 13,015 lakh (Previous Year Rs. 18,786 lakh), including inter segmental revenue of Rs 3,117 lakh (Previous year Rs. 8,256 lakh).

The Projects and Services segment posted a segmental Loss of Rs 7,895 lakh (Previous Year loss of Rs. 15,326 lakh). The Products and Services segment has recorded a Profit of Rs.339 lakh (Previous Year profit of Rs.692 lakh). The loss after deducting Interest, other un-allocable expenditure/income and Income Tax from the segmental results has been Rs 10,557 lakh (Previous Year loss of Rs. 14,598 lakh).

Consolidated:

The Projects and Services segment has posted a revenue of Rs. 13,808 lakh (Previous Year Rs 24,865 lakh) and the Products and Services segment has posted a revenue of Rs. 24,229 lakh (Previous Year Rs. 27,568 lakh), including inter segmental revenue of Rs 3,117 lakh (Previous year Rs. 8,256 lakh).

The Projects and Services segment posted a segmental Loss of Rs 7,895 lakh (Previous Year loss of Rs. 15, 326 lakh). The Products and Services segment has recorded a Profit of Rs. 1,759 lakh (Previous Year profit of Rs. 1,523 lakh). The Loss of the Company after deducting Interest, other unallocable expenditure/income and Income Tax from the segmental results, has been Rs 3,486 lakh (Previous Year loss of Rs. 13,411 lakh).

5. Outlook for the Power, Steel, Port and Mining sector in which your company operates is detailed below:

Steel Sector:

The steel sector is expected to reap the benefits of consolidation in Financial Year 2020 on the back of favorable demand supply balance of the domestic market which will help to keep healthy margins. India's crude steel production registered a growth of 3.7% YTD (Apr'18 - Jan'19) while domestic finished steel (alloy + non-alloy) production registered a growth of 4.4% YTD (Apr'18 - Jan'19). The finished steel consumption growth stood at 7.8% YTD (Apr'18-Jan'19). However, in Financial Year 2020 Indian steel sector growth would be contingent on China's growth indicators i.e. its domestic demand, its production and exports. While China's steel production registered 6.6% growth in Calendar Year 2018 the policy on ecology will potentially limit its production growth in Calendar Year 2019.

Power Sector:

The Power sector continued to struggle with low capacity utilization. The plant load factor (PLF) for coal and lignite based power plants remains dismally low at 61% in Financial Year 2019 (provisional Apr'18-Feb'19). The PLF for central power plants was 72.18% while PLF of state and private sector was very low at 57.69% and 55.48 % in Financial Year 2019. The excess capacity has been a limiting factor for fresh investments in the Thermal power sector space and the reason for stressed assets in the power sector.

Installed capacity grew to 356 GW in Financial Year 2019 from 344 GW in Financial Year 2018 while the renewable energy capacity grew to 77 GW in Financial Year 2019 from 69 GW during the same period.

Overall Electricity generation saw a growth of 3.56% to 1249 Billion Units (BU) in Financial Year 2019 from 1206 BU in Financial Year 2018. Electricity generation from Thermal power saw a growth of 3.37% to 1072 BU in Financial Year 2019 from 1037 BU in Financial Year 2018.

Port Sector:

The major ports recorded a growth of 2.9% and together handled 699 million tonnes of cargo during Financial Year 2019 as against 679 million tonnes handled in Financial Year 2018.

The major ports had a capacity of 1,477 million tonnes. The Maritime Agenda 2010-20 has a 2020 target of 3,130 million tonnes of port capacity.

Government is continuously looking to augment capacities to develop an eco-friendly and economic mode of transportation along the inland waterway and coastal shipping routes under the Sagarmala Programme. This includes the creation of new berths and mechanization of the ports for achieving a quicker turnaround.

Mining Sector:

All India coal production grew by 8.1% in Financial Year 2019 increasing to 730.35 MT from 675.48 MT in Financial Year 2018. Iron ore production for Calendar Year 2018 increased by 1.55% to reach 205.68 million tonnes, higher than the 202.54 million tonnes recorded in Calendar Year 2017.

With Indian GDP expected to grow at more than 7 per cent in the coming years, there will be strong demand for metallic minerals and non-metallic minerals.

The Company has been undertaking related party transaction with Tata Steel Limited towards Sales and Services. While stringent financial qualification criteria becomes an impediment for the Company to secure the external order, related party transaction is expected to help the Company to secure sufficient order. In addition to Electro-mechanical jobs and manufacturing activities, it would provide the Company an opportunity to expand its scope in other areas such as Industrial fabrication and Lifecycle Services thereby improving the utilization of its existing facilities and resources.

The company is in the process to complete Performance Guarantee tests for all major projects and collect retention monies.

6. Risks and Concerns

Liquidity remains a major challenge for the operations of the company. In Financial Year 2019, Company raised Rs 250 crore through issuance of Non Convertible Redeemable Preference Shares (NCRPS) to Tata Steel Limited through private placement basis and infused over Rs 150 crore through divestment of subsidiary namely York Transport Equipment Asia (Pte) Ltd.

With the receipt of orders from Tata Steel, the Company is expected to avail better working capital cycle with Tata Steel and enhance its liquidity position.

Further, to improve Risk Management Framework, a revised Risk Register compatible to current circumstances was promulgated through detailed deliberation with the assistance of an external consultant.

7. Statutory Compliance

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

8. Internal Control System and their adequacy

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 Deloitte the Company's outsourced- internal auditors, directly report to the Audit Committee. During the year, the Audit Committee of the Board regularly met to discharge its functions as required pursuant to the Listing Regulations. 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 duly approved by the Audit Committee.

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

9. Developments in Human Resources/Industrial Relations front

Human Resource continues to be a key focus area. Total manpower as on April 1, 2019 was 616. Capability building continued to be a top priority.

The industrial relations in the Company continue to be healthy and cordial. The Workers' Union actively supported all important initiatives of the Company.

10. Key Financial Ratios (Standalone)

Particulars	2018-19	2017-18	Remarks
(i) Debtors Turnover	0.78	0.90	
(ii) Inventory Turnover	4.34	4.71	
(iii) Interest Coverage Ratio	-1.52	-3.44	Loss from operation before Interest and Tax reduced in FY19 due to better project management and optimization of expenditure
(iv) Current Ratio	0.67	0.57	
(v) Debt Equity Ratio	-2.64	-1.60	Due to reduction in Borrowing and issuance of 12.5% Non Convertible Redeemable Preference Shares to Tata Steel Limited considered in other Equity
(vi) Operating Profit Margin (%)	-37.32	-43.40	
(vii) Net Profit Margin (%)	-59.90	-54.41	

11. Return on Networth

For Financial Year 2018-19 : Nil (2017-18: Nil)

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimate, 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.

Annexure-2

Statement pursuant to Section 129(3) of the Companies Act, 2013 [FORM AOC-1]
Part A : Subsidiaries

Rs. in lakhs

Sr. No	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus (Other equity)	Total Assets	Total Liabilities (Other than equity)	Investments included in Total Assets	Turnover/ Total Income	Profit Before Tax	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share holding	Country
1.	TRF Singapore Pte Limited	SGD	13,570.84	(321.16)	13,284.12	34.44	11,176.77	133.83	(6,561.24)	1.26	2,002.58	-	100.00	Singapore
2.	TRF Holding Pte Limited	USD	-	0.97	3.56	2.59	-	1,885.80	(712.48)	-	4,470.84	-	100.00	Singapore
3.	York Transport Equipment (Asia) Pte Ltd (Note 2)	USD	-	-	-	-	-	1,194.47	(157.97)	-	(157.97)	-	100.00	Singapore
4.	York Transport Equipment (India) Pvt Ltd	INR	-	-	-	-	-	4,095.43	194.65	67.64	127.00	-	100.00	India
5.	York Transport Equipment Pty Ltd	AUD	-	-	-	-	-	444.31	(16.59)	-	(16.59)	-	100.00	Australia
6.	York Sales (Thailand) Company Limited	THB	-	-	-	-	-	87.00	(80.06)	6.98	(87.04)	-	100.00	Thailand
7.	York Transport Equipment (SA) (Pty) Ltd	ZAR	-	-	-	-	-	23.62	(6.79)	-	(6.79)	-	100.00	South Africa
8.	Rednet Pte Ltd	USD	-	-	-	-	-	(0.04)	(0.15)	-	(0.15)	-	100.00	Singapore
9.	PT York Engineering	IDR	-	-	-	-	-	-	-	-	-	-	100.00	Indonesia
10.	YTE Special Products Co. Limited	USD	-	-	-	-	-	33.09	3.02	-	3.02	-	100.00	Singapore
11.	Qingdao YTE Special Products Co. Limited	CNY	-	-	-	-	-	1,123.97	(214.61)	-	(214.61)	-	100.00	China
12.	York Transport Equipment (Shanghai) Co. Ltd	CNY	-	-	-	-	-	-	(7.12)	-	(7.12)	-	100.00	China
13.	Dutch Lanka Trailer Manufacturers Limited	USD	792.72	1,584.63	5,259.83	2,882.51	1,163.36	6,398.37	1,111.61	4.71	1,106.90	-	100.00	Srilanka
14.	Dutch Lanka Engineering (Private) Limited	LKR	69.08	401.90	1,071.57	600.58	-	1,327.09	39.95	10.75	29.20	-	100.00	Srilanka
15.	Dutch Lanka Trailers LLC	OMR	-	-	-	-	-	-	-	-	(98.27)	-	70.00	Oman
16.	Hewitt Robins International Ltd	GBP	1.81	4,489.34	5,585.71	1,094.55	-	4,075.60	611.29	118.65	492.64	-	100.00	United Kingdom
17.	Hewitt Robins International Holding Ltd	GBP	-	67.04	2,781.31	2,714.27	2,781.31	-	-	-	-	-	100.00	United Kingdom

Part B : Joint Ventures (As per the equity method)

Sr. No.	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Venture held by the Company on the year end						Profit/(Loss) for the Year	
			Number of Shares	Amount of Investment in Joint Venture	Extend of Holding	Description of how there is Significant influence	Reason why joint venture is not consolidated	Net worth attributable to shareholding as per the latest Balance Sheet	Considered in consolidation (Incl other comprehensive income)	Not Considered in consolidation
1	Tata International DLT Private Limited	31.03.2019	8,540,000	854.00	50%	Refer Note. 1	Not Applicable	2,737.30	1,434.59	Nil

Note. 1: There was significant influence due to percentage (%) holding in Share Capital.

Note. 2: In terms of the Share Purchase Agreement dated March 21, 2018, the Group has divested its entire stake in York Transport Equipment (Asia) Pte Ltd along with its subsidiaries as mentioned in Sl. Nos. 4-12 in part A on 30.4.2018. The Group has also divested its stake in Dutch Lanka Trailers LLC, Oman on 5.12.2018.

For and on behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman

Sumit Shubhadarshan
Managing Director

Shaktishree Das
Chief Financial Officer

Subhashish Datta
Company Secretary

Kolkata, 15th April, 2019

Annexure-3

Policy on directors appointment including criteria for determining qualifications, positive attributes, independence of a director:

The Board has adopted comprehensive Governance Guidelines for Tata Companies which inter alia provides policy/ framework for a) Role of the Board, Chairman, Directors, b) Board composition, c) Criteria for appointment of directors (Executive, non-independent and independent), d) Criteria for independence e) remuneration of directors f) Code of conduct for executive/non-independent and independent directors g) Board, Committee and Director evaluation process and questionnaire format.

As laid down in the aforementioned Governance Guidelines, it is the responsibility of the Nomination and Remuneration Committee to develop competency requirement for the Board based on the industry and strategy of the Company. The Board composition analysis is made with an in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirement. The guidelines put in place a transparent board nomination process and the appointment of directors are made keeping in view to bring in diversity of thought, experience, knowledge, perspective, age and gender. Non-executive directors bring an external view and judgment on the issues of strategy, risk, performance, capital and other resources, key appointments and business conduct. The guidelines prescribe that retired MD/ED/employees are not invited to join the Board of the company as non-executive directors. However, such person may continue as non-executive director of its subsidiaries/ joint venture/associates/fellow subsidiaries and other Tata Companies. All non-independent non-executive directors are liable to retire by rotation and they are to be selected through a formal process by the Nomination and Remuneration Committee and confirmed by the Board.

A director is considered to be an independent director if he meets the criteria for independence as laid down under the Companies Act, 2013 and Listing Regulations. The Governance Guidelines prescribe that while recommending appointment of an Independent Director, the Nomination and Remuneration Committee shall consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board. Independent directors appointed are thought/practice leaders in their respective functions/domain.

Annexure- 4

Policy for remuneration of directors, KMP and other employees

The existing policy for remuneration of non-executive directors, executive directors, Key Managerial Personnel, Senior Management and other employees as at the commencement of the Act was reviewed by the Nomination and Remuneration Committee at its meeting held on May 1, 2015. The existing policy was continued. The Non-Executive Directors are paid remuneration by way of sitting fees and commission. The commission is paid at the rate not exceeding 1% of net profits computed in accordance with Section 198 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the annual commission to be 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 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). The payment of Commission (as a percent of profit)/Performance Linked Bonus is determined by the Board at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee.

The Company pays remuneration comprising of the following to Key Managerial Personnel, Senior Management and other employees:

- Fixed Pay : Basic, DA(paid to workers only), House Rent allowance, Conveyance Allowance, Special/other allowance, LTC
- Retiral Benefits : Provident Fund, Gratuity, Super Annuation Fund (to officers)
- Variable Pay: Bonus/Profit Sharing based on the profit of the Company
- Perks and Benefits:
    - ✓ Group Accident Policy
    - ✓ Medical Hospitalization Facilities for employees at TATA Hospitals in Jamshedpur & Medical reimbursements (for personnel at site)
    - ✓ Life Cover Scheme (20 months' Salary)
    - ✓ Housing, Club, Welfare Center, First Aid Post and dispensary
    - ✓ Car Scheme for senior and middle management
    - ✓ Uniform & Maintenance Allowance at Site
    - ✓ Corporate Resource Scheme

Remuneration of Officers is revised annually based on the performance and Workers remuneration is revised as per Wage Agreements.

TRF Ltd has adopted long term incentive plan viz Smart Variable Allowance to retain talent.

Annexure-5

Particulars of Remuneration pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.**

Sl. No.	Name of Director	Total Remuneration Paid In Fy'18-19 Rs in lakh	Ratio to Median Remuneration of officers (Director remuneration/ Median Remuneration)	Ratio to Median Remuneration of workers	Ratio to Median Remuneration of all employees
	Non-Executive Directors $				
1	Mr Sandip Biswas (Ceased w.e.f September 15, 2019)	NA	NA	NA	NA
2	Mr Ranaveer Sinha	11.25	1.99	3.66	2.25
3	Mr Dipankar Chatterji	8.25	1.46	2.68	1.65
4	Mr Sabyasachi Hajara	8.00	1.42	2.61	1.60
5	Ms Neera Saggi	10.00	1.77	3.25	2.00
6	Mr. Rajesh Ranjan Jha	NA	NA	NA	NA
7	Mr. Dibyendu Bose (Ceased w.e.f August 27, 2018)	NA	NA	NA	NA
8	Mr Vinayak Kashinath Deshpande (Appointed w.e.f May 29, 2018)	NA	NA	NA	NA
9.	Mr Raghupathy Rao Ranganath (Appointed w.e.f September 14, 2018)	NA	NA	NA	NA
	Executive Director				
10	Mr. Sanjay Rajoria (Ceased w.e.f September 15, 2018)	28.95	5.14	9.42	5.79
11	Mr. Sumit Shubhadarshan (Appointed as MD w.e.f September 15, 2018)	65.63	11.65	21.37	13.12

$ The Non-executive directors were paid sitting fee for attending meeting of the Board and its Committees. Directors who are full time employees of Tata Steel or other Tata Group Company are not being paid any sitting fee.

2. The percentage increase in remuneration of each director, Managing Director, Chief Financial Officer and Company Secretary

Sl. No.	Name of Director	Total Gross Remuneration for FY 2017-18 Rs in lakh	Total Gross Remuneration for FY 2018-19 Rs in lakh	% increase
	Non-Executive Directors $			
1	Mr Sandip Biswas (Ceased w.e.f September 15, 2018)	NA	NA	NA
2	Mr Ranaveer Sinha	5.75	11.25	-
3	Mr Dipankar Chatterji	8.25	8.25	-
4	Mr Sabyasachi Hajara	7.00	8.00	-
5	Ms Neera Saggi	8.50	10.00	-
6	Mr. Rajesh Ranjan Jha	NA	NA	NA
7	Mr. Dibyendu Bose (Ceased w.e.f August 27, 2018)	NA	NA	NA
8	Mr Vinayak Kashinath Deshpande (Appointed w.e.f May 29, 2018)	NA	NA	NA
9	Mr. Ranganath Raghupathy Rao (Appointed w.e.f September 14, 2018)	NA	NA	NA
	Executive Director			
10	Mr. Sanjay Rajoria (Appointed w.e.f February 1, 2018 & Ceased w.e.f September 15, 2018)	9.98	28.95	NA
11	Mr. Sumit Shubhadarshan (Appointed w.e.f September 15, 2018)	-	65.63	NA
	Chief Financial Officer			
12	Mr K. Sujit Mathai Mathew (Appointed w.e.f February 1, 2018 & Ceased w.e.f October 26, 2018)	8.42	28.64	NA
13	Mr Shaktishree Das (Appointed w.e.f January 16, 2019)	NA	14.17	NA
	Company Secretary			
15	Mr. Tarun Kumar Srivastava (Ceased w.e.f May 16, 2018)	2.03	-	NA
	Mr. Pankaj Kumar Choubey (Appointed w.e.f July 27, 2018 & ceased w.e.f. January 11, 2019)	-	6.65	NA
	Mr. Subhashish Datta (Appointed w.e.f January 11, 2019)	-	11.03	NA

Sl.No.	Board/Committee	Rate of sitting fee per meeting for FY 17-18 Rs	Rate of sitting fee per meeting for FY 18-19 Rs
1	Board Meeting	50,000	50,000
2	Audit Committee	50,000	50,000
3	Nomination & Remuneration Committee	50,000	50,000
4	Executive Committee	50,000	50,000
5	Committee of Directors	50,000	50,000
5	Corporate Social Responsibility Committee	25,000	25,000
6	Stakeholders Relationship Committee	25,000	25,000

There has been no increase in the rate of sitting fee during the FY' 18-19.

3. The percentage increase in the median remuneration of employees in the financial year

Sl. No.	Category	% increase of median remuneration
1	Officers	-
2	Workers	1.65
3	**Total Officers & Workers**	**-**

4. Number of Permanent Employees on the rolls of the Company

Sl. No.	Category	No. of persons on Roll As on March 31, 2019
1	Officers	382
2	Workers	234
	Total	**616**

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof

Average increase in remuneration of Officers in FY 18-19 %	increase in remuneration of MD %	Ratio of increment of MD to that of Officers
Nil	11.6	NA

Managing Director is on deputation and governed by the terms and conditions of employment of Tata Steel Limited.

6. Affirmation regarding payment of remuneration as per the remuneration policy of the Company

The remuneration paid to Directors, Key Managerial Personnel and other employees are as per remuneration policy of the Company.

6. Statement of Disclosure pursuant to Section 197 of the Companies Act, 2013

[Read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

NAMES OF TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE FINANCIAL YEAR 2018-19

Sl. No.	Name	Designation	Remuneration (Rs. In Lakhs)	Qualification	Total Experience (Years Approx.)	Date of Commencement of Employment	Age (Year)	Last Employment
1	Sumit Shubhadarshan	Managing Director	118.99	B.Sc., ICWA, C.A., MBA	25	1-Sep-17	50	Tata Steel Limited
2	Manoj Mithal	Sr General Manager, Industrial & Structural	87.06	B. Tech, MBA	36	1-Mar-18	58	Tata Steel Limited
3	Anil Kumar Singh	Vice President, Operations	81.74	B.Tech (Mechanical Engineering)	28	1-Jan-18	54	Tata Steel Limited
4	C. Sahadeva Reddy	Sr General Manager, Construction	78.39	B.Tech (Mechanical Engineering)	32	1-Jan-18	54	Tata Steel Limited
5	A.K. Pandey	Sr General Manager, Life Cycle Services	62.80	Diploma (Electrical Engineering)	41	1-Jan-18	60	Tata Steel Limited
6	Subhashish Datta	Company Secretary & Chief Commercial	49.44 *	B.Com (H), CFA, FCS, FCMA	30	1-Mar-16	52	Thiess Minecs India Pvt. Limited
7	Amitabh Chandra Jha	Chief Human Resource Officer	38.69	PGD (Mgmt)	22	1-Aug-17	49	Tata Steel Limited
8	S. S. Karim	General Manager, Supply Chain	38.25	Diploma (Business Management)	33	1-Jan-18	56	Tata Steel Limited
9	Sandeep Kumar Tanwar	Officer on Special Duty	35.64 *	B.E. Mechanical	30	16-Jun-16	52	Tata Steel Limited
10	K. Sujit Mathai Mathew	General Manager, Finance	35.57	CMA	23	1-Jan-18	48	Tata Steel Limited

*Mr Subhashish Datta and Mr Sandeep Kumar Tanwar are employees of TRF. Remaining persons are on deputation from Tata Steel.

Mr Sandeep Kumar Tanwar joined the Company on June 16, 2016 and ceased w.e.f. January 31, 2019.

Mr K Sujit Mathew joined the Company on January 1, 2018 and ceased w.e.f. October 26, 2018.

Mr Manoj Mithal joined the Company March 1, 2018 and ceased w.e.f March 31, 2019

Mr S S Karim joined the Company on January 1, 2018 and ceased w.e.f November 30, 2018

Mr A K Pandey joined the Company on January 1, 2018 and superannuated w.e.f November 30, 2018

Annexure- 6

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties' referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions (C/A/T) not at arm's length basis:**

   There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019 which were not at arm's length basis.

2. **Details of material contracts or arrangement or transactions (C/A/T) at arm's length basis:**

<table>
<tr><th>Name(s) of the related party and nature of relationship</th><th>Nature of C/A/T</th><th>Duration of the C/A/T</th><th>Salient terms of the contracts or arrangements or transactions including the value, if any</th><th>Date(s) of approval by the Board, if any</th><th>Amount paid as advances, if any</th></tr>
<tr><td colspan="6">Sales & Services</td></tr>
<tr><td>Tata Steel Limited, Promoter Company</td><td>Design, engineering and Supervision services</td><td rowspan="2">Annual Arrangements</td><td rowspan="2">Comparable Price</td><td rowspan="2">March 21, 2018</td><td rowspan="2">As per the terms of contract</td></tr>
<tr><td>Tata Steel Limited, Promoter Company</td><td>Overhauling, Maintenance & Lifecycle Services of Equipments</td></tr>
<tr><td colspan="6">Purchases & Services</td></tr>
<tr><td>Tata Steel Limited, Promoter Company</td><td>Services Availed</td><td>Annual Arrangements</td><td>Cost Plus</td><td>March 21, 2018</td><td>As per the terms of contract</td></tr>
</table>

Note- The transactions are in the ordinary course of business and are at arm's length basis. The transactions being material in nature were approved by the shareholders by way of postal ballot.

On behalf of the Board of Directors
Rajesh Ranjan Jha
Chairman
DIN: 07715246

Place: Kolkata
Date: April 15, 2019

Annexure-7

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TRF Limited
11, Station Road, Burmamines,
Jamshedpur, Jharkhand

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TRF Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2019, complied with the statutory provisions and that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

Sl No.	Name of Act, Rules, Regulation
1	The Companies Act, 2013 (the Act) and the rules made thereunder;
2	The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3	The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4	Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
5	The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
5(a)	The Securities and Exchange Board of India (Listing Obligation and Disclosure) Regulations, 2015;
5 (b)	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
5 (c)	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
5 (d)	The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
6	Employees Provident Fund and Miscellaneous Provisions Act, 1952
7	Employees State Insurance Act, 1948
8	Public Liability Insurance Act, 1991
9	Environment Protection Act, 1986
10	Water (Prevention and Control of Pollution) Act, 1974 and Water Cess Act, 1977
11	Air (Prevention and Control of Pollution) Act, 1981
12	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
13	Factories Act, 1948
14	Contract Labour (Regulation and Abolition) Act, 1970
15	The Industrial Employment Standing Orders Act, 1946

Sl No.	Name of Act, Rules, Regulation
16	Employees Compensation Act, 1923
17	Employment Exchange (Compulsory Notification of Vacancies) Act, 1961
18	Apprenticeship Act, 1961
19	Batteries management & Handling Rules, 2001
20	Indian Stamp Act, 1999
21	Industrial Dispute Act, 1947
22	Maternity Benefits Act, 1961
23	Minimum Wages Act, 1948
24	Payment of Bonus Act, 1965
25	Payment of Gratuity Act, 1972
26	Equal Remuneration Act, 1976
27	Payment of Wages Act, 1936
28.	Income Tax Act, 1961
29.	Custom Act and Rules
30.	Interstate Migration Act
31	Water Cess Act
32	Energy Conservation Act, 2001
33	Bio- Medical Waste Handling And Management Rules
34.	Industrial Establishment (National and Festival Holiday) Act
35.	The Standards of Weights and Measurement Act
36.	Foreign Trade Act
37.	Competitions Commission Act, 2002
38.	Motor Vehicle Act
39.	The Child Labour (Prohibition & Regulation) Act
40.	Shop and Establishment Act
41.	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii)The Listing Agreements entered into by the Company with Stock Exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that:

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in case of meeting is called on shorter notice in case of urgency), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at board meetings and committee meetings are carried out with majority or unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period Company amended capital clause of Memorandum and Articles of Association to raise fund and that is in conformity with legal compliance.

We further report that during the audit period Company raised Rs. 250 Crore by issuing and allotting 12.5 % Non- Convertible Redeemable Preference Shares on private placement basis to its promoters Tata Steels Limited and same is in compliance with applicable laws. These are not listed on any stock exchange.

We further report that during the audit period, there were no instances of:

(i) Public / Rights /debentures / sweat equity.

(ii) Redemption / buy-back of securities.

(iii) Merger / amalgamation / reconstruction etc.

(iv) Foreign technical collaborations.

For, **P.K. Singh & Associates**
(Firm's Registration No. P2002JH045700)

(Pramod Kumar Singh)
(Partner)
FCS No.: 5878
C P No.: 19115

Place: Jamshedpur
Date: April, 06, 2019

This Report is to be read with our letter of even date which is annexed as "Annexure –A" and forms an integral part of this report.

'Annexure- A'

To,
The Members
TRF Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contests of the secretarial records. The verification is based on test basis to ensure the correct facts are reflected in audit records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and the appropriateness of the financial records and Books of Accounts of the company.
4. Wherever required we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination is limited to the verification procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For, **P.K. Singh & Associates**
(Firm's Registration No. P2002JH045700)

(Pramod Kumar Singh)
(Partner)
FCS No.: 5878
C P No.: 19115

Place: Jamshedpur
Date: April, 06, 2019

Annexure -8

Details of Loans, Investments and Corporate Guarantees as on 31st March 2019

Loans : Nil

Investments		Rs. In lakhs
a)	Subsidiaries	
	i) TRF Singapore Pte. Ltd., Singapore	9181.37
	2,59,83,481 shares of SGD 1.01 each	
	ii) TRF Holdings Pte. Ltd., Singapore	*
	1 share of SGD 1 each	
b)	Other Investments	
	i) HDFC Bank Ltd - 2,500 shares of Rs. 2 each (at cost)	0.05
	ii) Nicco Jubilee Park Ltd - 30,000 shares of Rs. 10 each	3.00
	Less: Provision for diminution of Rs 3.00 lakhs	3.00

* represent values below Rs. 1,000

Annexure- 9

Details regarding Conservation of Energy, Technology absorption, Expenditure on R&D, Foreign exchange earnings and outgo as per Rule 8(3) of Companies (Accounts) Rules, 2014

A.	**Conservation of Energy:**	**2018-19**
i)	Steps taken or Impact on conservation of energy	NIL
ii)	Steps taken by the company for utilising alternative sources of energy	NIL
iii)	Capital investment on energy conservation equipments	NIL
B.	**Technology absorption :**	
i)	Efforts made towards technology absorption	N.A.
ii)	Benefits derived (like product Improvement, cost reduction, product development or import substitution)	● In-house design of Screen size 3.1 m X 8.5 m (liner motion for pellet plant. ● In-house design of Belt Plow (alternate of fixed tripper) this developed for Pellet Plant ● In-house design completion for FAFA steep angle conveyor ● For Jamadoba plant - SDL (Side Discharge Loader) & LHD (Low Haul Dumper) designed with CRD (Cable realing drum). Earlier design was without CRD (not safe as cable was on the ground.) ● In-house Design for 1.6 x 5.9 V13 Flip-Flow screens.
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a) details of technology imported b) the year of import c) whether the technology has been fully absorbed d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A
iv)	Expenditure incurred on research and development	N.A.
C.	**Foreign Exchange Earnings and Outgo:** Inflows during the year – NIL Outflows during the year- Rs 421.10 Lakhs	

Corporate Governance Report for the year 2018-19

Company's Corporate Governance Philosophy

The Company has set itself the objective of 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 its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

Corporate Governance Guidelines

The Board of Directors ('the Board') has adopted the Tata Group Guidelines on Board Effectiveness to help fulfill its corporate governance responsibility towards its stakeholders. These guidelines provide for the composition and role of the Board and ensure that the Board will have the necessary authority and processes in place to review and evaluate the Company's operations. Further, these guidelines allow the Board to make decisions that are independent of the Management of the Company.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

Board of Directors

The Board is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. The Board believes that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Size and Composition of the Board

The Company's policy is to have an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs') and Independent Directors ('IDs') to maintain the Board's independence as well as separate its functions of governance and management. As on March 31, 2019, the Board comprised of eight members, one of whom is ED, three NEDs and four IDs including a Woman Director. The Board periodically evaluates the need for change in its composition and size. Detailed profile of the Directors is available on Company's website www.trf.co.in. None of the NEDs serve as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company.

The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the terms and conditions of appointment of IDs including their role, responsibility and duties are available on Company's website www.trf.co.in

The names and categories of the Directors on the Board alongwith the number of Directorships and Committee Memberships held by them as on March 31, 2019:

Name of the Director	DIN	Indian Public Companies (1)	All Companies worldwide (2)	Board Committees (3)	
				Chairperson	Member
Non-Executive Directors					
Mr. Rajesh Ranjan Jha(4)	07715246	1	-	-	-
Mr. Sandip Biswas(5)	00518430	NA	NA	NA	NA
Mr. Dibyendu Bose(6)	00282821	NA	NA	NA	NA
Mr. Vinayak Kashinath Deshpande	00036827	6	1	1	2
Mr. Raghupathy Rao Ranganath(7)	06725337	6	6	1	1
Independent Directors					
Mr. Ranaveer Sinha	00103398	2	-	1	1
Mr. Dipankar Chatterji	00031256	7	-	4	2
Mr. Sabyasachi Hajara	00004485	4	-	-	2
Ms. Neera Saggi	00501029	10	-	1	8
Executive Directors					
Mr. Sanjay Rajoria(8)	08063280	NA	NA	NA	NA
Mr. Sumit Shubhadarshan(9)	07004155	2	6	-	1

NA- Not applicable

(1) Directorship in Indian public companies including TRF Limited and excluding Section 8 Companies.

(2) Includes Directorship in Indian and foreign companies including TRF Limited and excluding Section 8 Companies.

(3) As required under Regulation 26(1)(b) of the Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies including TRF Limited.

(4) Mr. Rajesh Ranjan Jha has been appointed as Chairman of the Company effective September 15, 2018.

(5) Mr. Sandip Biswas ceased to be Member of the Board and Chairman of the Company effective September 15, 2018.

(6) Mr. Dibyendu Bose ceased to be Member of the Board effective August 27, 2018.

(7) Mr. Raghupathy Rao Ranganath was appointed as an Additional (Non-Executive) Director effective September 14, 2018.

(8) Mr. Sanjay Rajoria ceased to be the Managing Director and Member of the Board effective September 15, 2018.

(9) Mr. Sumit Shubhadarshan was appointed as an Additional Director and Managing Director effective September 15, 2018.

Directorship of the Directors in listed entities:

Name of the Director	Names of the Listed entities	Category
Mr. Rajesh Ranjan Jha	1. TRF Limited	NED
Mr. Ranaveer Sinha	1. TRF Limited 2. Ramkrishna Forgings Limited	ID
Mr. Dipankar Chatterji	1. TRF Limited 2. Hindustan National Glass & Industries Limited	ID
Mr. Sabyasachi Hajara	1. TRF Limited 2. Dolphin Offshore Enterprises Limited 3. Texmaco Rail & Engineering Limited	ID
Ms. Neera Saggi	1. TRF Limited 2. Swaraj Engines Limited 3. GE Power India Limited 4. GE T&D India Limited 5. Tata Steel BSL Limited 6. Honeywell Automation India Limited	ID
Mr. Vinayak Kashinath Deshpande	1. TRF Limited 2. Kennametal India Limited 3. Artson Engineering Limited 4. Voltas Limited	NED
Mr. Ranganath Raghupathy Rao	1. TRF Limited	NED
Mr. Sumit Shubhadarshan	1. TRF Limited	ED

Note: There is no inter-se relationships between the Board Members.

Details setting out the skills/expertise/competence of the Board of Directors in the context of business of the Company

Name of the Director	Core skills/expertise/competencies
Mr. Rajesh Ranjan Jha	Engineering & Projects
Mr. Ranaveer Sinha	Engineering
Mr. Dipankar Chatterji	Finance, Accounts & Audit
Mr. Sabyasachi Hajara	Shipping
Ms. Neera Saggi	Administration & General Management
Mr. Vinayak Kashinath Deshpande	Engineering & Projects
Mr. Ranganath Raghupathy Rao	Finance & Accounts
Mr. Sumit Shubhadarshan	Finance & Commercial

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

Familiarization Programme for Independent Directors

All individual directors inducted into the Board are given an orientation. Presentations are made by the Managing Director and senior management and also visit to the factory is organized. The policy on the company's familiarization programme is posted on the Company's website http://trf.co.in/pdf/invester_relation/Director_induction18_19.pdf.

Board Evaluation

The Nomination and Remuneration Committee has formulated a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board. The details of Board Evaluation forms part of the Directors' Report.

Compensation Policy for Board and Senior Management

The Board had approved the Remuneration Policy for Directors, Key Managerial Personnel ('KMPs') and all other employees of the Company. The same is annexed to the Directors' Report and is available on the Company's website www.trf.co.in at http://trf.co.in/pdf/policies/policy-directors-KMP-employee-remuneration.pdf. Details of remuneration for Directors in Financial Year 2018-19 are provided in Table below. (₹ in lakh)

Name	Fixed Salary			Commission	Sitting Fees	Total Compensation
	Basic	Perquisite/ Allowance	Total Fixed Salary			
Non-Executive Directors						
Mr. Rajesh Ranjan Jha	-	-	-	-	-	-
Mr. Sandip Biswas	-	-	-	-	-	-
Mr. Dibyendu Bose	-	-	-	-	-	-
Mr. Vinayak Kashinath Deshpande	-	-	-	-	-	-
Mr. Ranganath Raghupathy Rao	-	-	-	-	-	-
Independent Directors						
Mr. Ranaveer Sinha	-	-	-	-	11.25	11.25
Mr. Dipankar Chatterji	-	-	-	-	8.25	8.25
Mr. Sabyasachi Hajara	-	-	-	-	8.00	8.00
Ms. Neera Saggi	-	-	-	-	10.00	10.00
Executive Directors						
Mr. Sanjay Rajoria*	-	-	28.95	-	-	28.95
Mr. Sumit Shubhadarshan**	-	-	65.63	-	-	65.63

* (period from March 1, 2018 – September 14, 2018)

** (period from September 15, 2018 – March 31, 2019)

Notes:

In line with the internal guidelines of the Company, no payment is made towards sitting fees to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company.

The Company has no stock option for its directors and employees. None of the Executive Directors are eligible for payment of any severance fees and the contracts with Executive Directors may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

Number of shares and convertible instruments held by Non-executive Directors (NEDs)

Name of the NEDs	No. of shares held
Mr. Rajesh Ranjan Jha	Nil
Mr. Ranaveer Sinha	10
Mr. Dipankar Chatterji	Nil
Mr. Sabyasachi Hajara	Nil
Ms. Neera Saggi	Nil
Mr. Vinayak Kashinath Deshpande	Nil
Mr. Ranganath Raghupathy Rao	Nil

Board Meetings

9 Board Meeting were held during the year ended March 31, 2019 on April 24, 2018, May 29, 2018, July 27, 2018, September 14, 2018, October 26, 2018, January 11, 2019, February 15, 2019, February 20, 2019 and March 18, 2019. The gap between any two Board meetings during this period did not exceed one hundred and twenty days. The attendance of the Directors for the year ended March 31, 2019 are given below:

Name of the Director	Category	No. of Board Meetings Attended	Attendance (%)
Mr. Rajesh Ranjan Jha	NED	9	100
Mr. Sandip Biswas	NED	4	100
Mr. Dibyendu Bose	NED	2	67
Mr. Vinayak Kashinath Deshpande	NED	7	78
Mr. Ranganath Raghupathy Rao	NED	3	60
Mr. Ranaveer Sinha	ID	9	100
Mr. Dipankar Chatterji	ID	9	100
Mr. Sabyasachi Hajara	ID	9	100
Ms. Neera Saggi	ID	9	100
Mr. Sanjay Rajoria	ED	4	100
Mr. Sumit Shubhadarshan	ED	5	100

NED – Non-Executive Director, ID – Independent Director, ED – Executive Director

Mr. Sandip Biswas ceased to be Member of the Board effective September 15, 2018.

Mr. Dibyendu Bose ceased to be Member of the Board effective August 27, 2018.

Mr. Ranganath Raghupathy Rao was appointed as an Additional (Non-Executive) Director effective September 14, 2018.

Mr. Sanjay Rajoria ceased to be Managing Director and Member of the Board effective from September 15, 2018.

Mr. Sumit Shubhadarshan was appointed as an Additional Director and Managing Director effective September 15, 2018.

All the Directors as on the date of the Annual General Meeting were present at the Annual General Meeting of the Company held on July 27, 2018.

Meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on January 10, 2019 without the presence of Non-Independent Directors and Members of the Management. The Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole. They also evaluated the performance of the Chairman of the Board, taking into account the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Board Committees

Audit Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The broad terms of reference of the Audit Committee are as stated in Part C of Schedule II read with Regulation 18(3) of Listing Regulations.

Discussion with external Auditors:

To ensure independence and objectivity of external Auditors, the Committee discusses on significant issues pertaining to Financial Statements, impairment of assets, appropriate estimates and judgments of the Management, conclusions reached by Auditors in respect of key judgment and identifying any other issues in relation to the above.

The Company Secretary acts as the Secretary to the Committee. The Internal Auditor reports functionally to the Audit Committee. The Executive Directors and Senior Management of the Company also attend the meetings as invitees to address concerns raised by the Committee Members.

6 meetings of the Committee were held during the year ended March 31, 2019 on April 24, 2018, July 27, 2018, October 26, 2018, January 10, 2019 adjourned & reconvened on January 11, 2019, February 15, 2019 and March 18, 2019.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings Attended	Attendance (%)
Mr. Dipankar Chatterji	ID	6	100
Ms. Neera Saggi	ID	6	100
Mr. Ranaveer Sinha	ID	6	100
Mr. Dibyendu Bose*	NED	2	100
Mr. Ranganath Raghupathy Rao**	NED	3	75

*Mr. Dibyendu Bose resigned from the Board effective August 27, 2018 and consequently ceased to be a Member of the Audit Committee effective same date.

**Mr. Ranganath Raghupathy Rao was appointed as an Additional (Non-Executive) Director effective September 14, 2018 and was appointed as a Member of the Audit Committee effective September 15, 2018.

Mr. Dipankar Chatterji, Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on July 27, 2018.

Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process for the Board and the senior management and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board and to recommend, for approval by the Board, nominees for election at the AGM of the Shareholders.

The NRC has been in operation since 1995. The Board at its meeting held on April 18, 2014 stated that terms of reference, power and role of the NRC shall be as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The broad terms of reference of the Nomination and Remuneration Committee are to:

- Recommend to the Board the setup and composition of the Board and its Committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board the appointment or re-appointment or removal of Directors. Further, the re-appointment of Independent Director of the Company shall be on the basis of report of his/her performance evaluation.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this Committee).
- Support the Board and IDs in evaluation of the performance of the Board, its Committees and individual Directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board." Additionally, the Committee may also oversee the performance review process of the KMP and the executive team of the Company.
- Recommend to the Board the remuneration policy for Directors, executive team/ KMP as well as the rest of the employees.
- On an annual basis, recommend to the Board the remuneration for directors, KMP, executive team (including Senior Management Personnel) and other employees in whatever form payable.
- Oversee familiarization programmes for directors.
- Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- The NRC of a parent/ holding company shall recommend to its Board how the Company will vote on resolutions for appointment and remuneration of directors on the Boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the statute.

The NRC also discharges the Board's responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The Committee has formulated the Remuneration Policy for Directors, KMPs and all other employees of the Company. The remuneration policy and the criteria for making payments to Non-Executive Directors is available on Company's website www.trf.co.in. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors and the Senior Management. The Committee reviews and recommends to the Board, the basic salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements for the Executive Directors for its approval. The Committee co-ordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

6 meetings of the Committee were held during the year ended March 31, 2019 on April 24, 2018, May 29, 2018, July 27, 2018, September 14, 2018, October 26, 2018 and January 10, 2019.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings Attended	Attendance (%)
Mr. Sabyasachi Hajara	ID	6	100
Mr. Ranaveer Sinha	ID	6	100
Mr. Sandip Biswas	NED	4	100
Mr. Rajesh Ranjan Jha	NED	2	100

Mr. Sandip Biswas resigned from the Board effective September 15, 2018 and consequently ceased to be a Member of the Nomination and Remuneration Committee effective same date.

Mr. Rajesh Ranjan Jha was appointed as a Member of the Nomination and Remuneration Committee effective September 15, 2018.

Mr. Sabyasachi Hajara, Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on July 27, 2018.

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') considers and resolves the grievances of the Company's shareholders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends and such other grievances as may be raised by the security holders from time to time.

During the year, 1 meeting of the SRC was held on January 10, 2019.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings Attended	Attendance (%)
Mr. Ranaveer Sinha	ID	1	100
Mr. Dipankar Chatterji	ID	1	100
Mr. Sumit Shubhadarshan	ED	1	100

Mr. Ranaveer Sinha, Chairman of the SRC was present at the Annual General Meeting of the Company held on July 27, 2018.

In terms of Regulation 6 and Schedule V of the Listing Regulations, the Board has appointed Mr. Subhashish Datta, Company Secretary as the Compliance Officer effective January 11, 2019 of the Company.

Address for Correspondence-

Mr. Subhashish Datta
Compliance Officer
11, Station Road, Burma Mines,
Jamshedpur – 831 007, Jharkhand
Phone: (0657) 3046250
Fax: (0657) 2345732
E-mail: investors@trf.co.in

The details of complaints received and resolved during the Financial Year ended March 31, 2019 are given below.

Opening as on April 1, 2018	:	0
Received during the financial year 2018 – 19	:	2
Resolved during the financial year 2018-19	:	2
Pending complaints as on March 31, 2019	:	0

Executive Committee of the Board

The Executive Committee of the Board ('ECOB') is constituted for monitoring of projects, reviewing of tender process followed in obtaining contracts for large projects valued at over ₹50 crores (including cost benchmarking, justification and process validation), responsible for the oversight and governance of the project management process including "integrated timelines" and "cost to complete" for projects constituting at least 80% of the total outstanding project order load, review of Risk Management Process of the project.

4 meetings of the ECOB were held during the year on May 14, 2018, May 18, 2018, May 29, 2018 and October 26, 2018.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings Attended	Attendance (%)
Mr. Rajesh Ranjan Jha	NED	4	100
Ms. Neera Saggi	ID	4	100
Mr. Vinayak Kashinath Deshpande*	NED	1	100
Mr. Sanjay Rajoria**	ED	3	100
Mr. Sumit Shubhadarshan***	ED	1	100

*Mr. Vinayak Kashinath Deshpande was appointed as a Member of the ECOB effective September 15, 2018.

**Mr. Sanjay Rajoria has resigned from the Board effective September 15, 2018 and consequently ceased to be Member of the ECOB effective same date.

***Mr. Sumit Shubhadarshan was appointed as Managing Director and was appointed as a Member of the ECOB effective September 15, 2018.

General Information for Shareholders

Disclosures regarding the appointment or re-appointment of Directors

In terms of the relevant provisions of the Companies Act, 2013, Mr. Vinayak Kashinath Deshpande is liable to retire by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, seeks re-appointment.

Further, during the year under review, based on the recommendation of the Nomination and Remuneration Committee, the Board appointed Mr. Ranganath Raghupathy Rao as an Additional (Non-Executive) Director effective September 14, 2018. The Board has recommended that Mr. Ranganath be appointed as a Director, and Mr. Ranaveer Sinha be appointed as an Independent Director for the second term effective from August 2, 2019 upto attaining the age of 70 years i.e. July 8, 2024 (as per Tata Code of Conduct) subject to the approval of Shareholders' at the ensuing Annual General Meeting. Further, based on the recommendation of the Nomination & Remuneration Committee, the Board appointed Mr. Sumit Shubhadarshan as an Additional Director and Managing Director of the Company, not liable to retire by rotation, with effect from September 15, 2018 to September 14, 2021 upon the terms and conditions as mentioned in the Notice convening the AGM.

The Board recommends above appointments for approval of the Shareholders.

The detailed profiles of the above Directors and particulars of their experience, skill or attributes that qualify them for Board Membership are provided in the Notice convening the AGM.

Means of communication

The quarterly and annual results of the Company, along with the segmental report are generally published in Financial Express (in English) and Hindustan, Dainik Bhaskar, Dainik Jagran, Uditvani (in Hindi) and also displayed on the Company's website at www.trf.co.in shortly after its submission to the Stock Exchanges.

All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the shares of the Company are listed and then posted on the Company's website.

Foreign exchange risk and hedging activities

The Company has its existing Forex Risk Management Policy and all the transactions are undertaken in accordance with the same.

Investor grievance and share transfer

The Company has Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the Board.

For shares transferred in physical form, the Company provides adequate notice to the seller before registering the transfer of shares. For matters regarding share transfer in physical form, share certificates and dividends amongst others, shareholders should communicate with TSR Darashaw Limited, the Company's Registrars and Transfer Agents ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number.

Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the DP with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers.

Code of conduct

The Company has adopted the Tata Code of Conduct ('TCoC') for Executive Director, Senior Management Personnel and other Executive, which is available on the Company's website www.trf.co.in. The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Company has also adopted the Code of Conduct for Non-Executive Directors of the Company which is available on the website www.trf.co.in. The Company has received confirmation from the NEDs regarding compliance of the Code for the year under review.

Auditors' certificate on Corporate Governance

As required by Regulation 34(3) and Schedule V Part E of the Listing Regulations, the certificate given by P.K. Singh & Associates, Practicing Company Secretaries, is annexed to this report.

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors.

Reconciliation of Share Capital Audit

In terms of Regulation 40(9) and 61(4) of the Listing Regulations, certificates on half-yearly basis have been issued by a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company.

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialized form (held with the Depositories) respectively.

Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. The Company has not entered into any materially significant related party transaction that may have potential conflict with the interests of the Company at large. The Board of Directors have approved and adopted a Policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at www.trf.co.in.

During the Financial Year 2018-19, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

In the preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are applied have been set out in the Notes to Financial Statements. The Board has received disclosures from KMPs relating to material, financial and commercial transactions where they and/ or their relatives have personal interest.

Policy for Determining Material Subsidiaries

The Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website www.trf.co.in.

Vigil Mechanism

The Vigil Mechanism, as approved by the Board provides a formal mechanism for all Directors, Employees and Vendors of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, every Director, Employee or Vendor of the Company has an assured access to the Ethics Counsellor/ Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Directors' Report. The whistle blower policy is available on the Company's website www.trf.co.in

General Body Meetings

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

Financial Year Ended	Date	Time	Venue	Special Resolution Passed
March 31, 2018	July 27, 2018	12.30 p.m.	Main Hall, Beldih Club, Northern Town, Jamshedpur-831001	Appointment of Mr. Sanjay Rajoria as Managing Director for a period of three years from February 1, 2018 to January 31, 2021.
March 31, 2017	July 27, 2017	12.30 p.m.		There was no special resolution.
March 31, 2016	July 30, 2016	12.00 Noon		Appointment of Mr. Srinivasa Reddy Polimera as Managing Director for a period of three years from April 1, 2016 to March 31, 2019.

An Extra-ordinary General Meeting (EGM) of the shareholders was held during the financial year as detailed below.

EGM Date	Time	Venue	Special Resolution Passed
March 18, 2019	10.00 a.m.	Main Hall, Beldih Club, Northern Town, Jamshedpur-831001	1. Increase in the Authorized Share Capital of the Company and consequential amendment of the Capital Clause in the Memorandum and Articles of Association of the Company.
			2. Issue, offer and allot 12.5% Non-Convertible Redeemable Preference Share to Tata Steel Limited, on private placement basis

No special resolution was put to vote through postal ballot in the previous three Annual General Meetings and no such special resolution through postal ballot is proposed for this year also.

Annual General Meeting 2019:

Date	July 12, 2019
Time	12.30 p.m
Venue	Main Hall, Beldih Club, Northern Town, Jamshedpur-831001
Financial Year	April 1 to March 31
Book Closure Dates	From Tuesday, July 2, 2019 to Friday, July 5, 2019 (both days inclusive)
Dividend Payment Date	NIL

Dematerialization of shares and liquidity

The Company's Ordinary Shares are tradable compulsorily in electronic form. We have established connectivity with both the depositories, i.e., NSDL and CDSL. The International Securities Identification Number (**'ISIN'**) allotted to the fully paid Ordinary Shares under the Depository System are **INE391D01019**.

The Company has 10470522 Ordinary Shares (Fully paid shares) representing 95.15% of the Company's share capital which is dematerialized as on March 31, 2019. To enable us to serve our Shareholders better, we request our Shareholders whose shares are in physical mode to dematerialize their shares and update their bank accounts and e-mail Ids with their respective DPs.

Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) in the Listing Regulations, the designated e-mail address for investor complaints is investors@trf.co.in. This email address for grievance redressal is continuously monitored by the Company's Compliance Officer.

Disclosures

i) The Board, at its meeting held on December 26, 2005 had adopted the Risk Management Framework for the Company for identification and prioritization of various risks based on pre-determined criteria relating to (a) Strategic Risk (b) Operational Risk and (c) Functional Risk.

ii) The Company has developed risk registers and has identified key risks and has also framed risk mitigation plan for the same. During the year the risk management executive Committee comprising of senior Head of Department's have revisited, assessed the current risks and risk management plan.

Risk management process in the Company is an on-going activity and steps are being taken to improve the same.

iii) Register of Contracts is placed at each meeting of the Board of Directors as per the requirements of the Companies Act, 2013.

iv) Management Discussion and Analysis Report forms a part of the Director's Report.

v) The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.

vi) The Company has raised ₹250 crores from Tata Steel Limited by issue of Non-convertible Redeemable Preference Shares on Private Placement basis during the Financial Year- 2018-19.

vii) As per the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and are independent of the management.

viii) The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II of the Listing regulations with the Stock Exchanges:

The Company has appointed separate persons to the post of Chairman and Managing Director.

ix) Total fees for all services paid on a consolidated basis to the Statutory Auditors is as follows-

		(in ₹)
Statutory Audit	-	6,810,000
Taxation matters	-	500,000
Other Payment		
Auditors' out-of-pocket expenses	-	254,519
Total	**-**	**7,564,519**

x) The company has not received any complaints during the Financial Year 2018-19 under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Further, the company has not disposed of any complaints during the Financial Year 2018-19 and there are no complaints pending as on the end of the Financial Year 2018-19.

Share Transfer System

Share Transfers in physical form can be lodged with TSR Darashaw Limited. The transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects.

SEBI mandates restriction on transfer of securities in the physical form w.e.f. April 1, 2019.

Distribution of shareholdings of Ordinary Shares:

Shareholding of nominal value of ₹	Shareholders		Share Amount	
	Number	% to total	₹	% to total
UPTO - 5000	19,619	90.56	2,22,56,520	20.23
5001 - 10000	1,155	5.33	88,97,310	8.09
10001 - 20000	491	2.27	73,05,670	6.64
20001 - 30000	149	0.69	38,32,160	3.48
30001 - 40000	71	0.33	25,77,860	2.34
40001 - 50000	53	0.24	24,69,910	2.24
50001 - 100000	70	0.32	49,05,240	4.46
100001 and above	56	0.26	5,77,99,450	52.52
TOTAL	21,664	100.00	11,00,44,120	100.00

Transfer of Unclaimed Dividend and Shares to the Investor Education and Protection Fund ('IEPF')

Pursuant to the provisions of the Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules'), the dividends, unclaimed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to IEPF. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a period of continuous seven years from the date of transfer of the dividend to the unpaid dividend account are also mandatorily required to be transferred to the IEPF established by the Central Government. Accordingly, the Company has transferred eligible shares to IEPF Demat Account maintained by the IEPF authority within statutory timelines.

Any person whose unclaimed dividend and shares pertaining thereto, matured deposits,matured debentures, application money due for refund, or interest thereon, sale proceeds of fractional shares, redemption proceeds of preference shares, amongst others has been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in e-form IEPF-5. Upon submitting a duly completed form, Shareholders are required to take a print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company. The e-form can be downloaded from the website of Ministry of Corporate Affairs www.iepf.gov.in

Nomination Facility

The Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to RTA the prescribed Forms SH-13/SH-14. The Nomination Form can be downloaded from the Company's website www.trf.co.in under the section 'Investors'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail ids, nomination and Power of Attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails ids, nomination and Power of Attorney should be given to the Company's RTA i.e. TSR Darashaw Limited.

Updation of bank details for remittance of dividend/cash benefits in electronic form

The Securities and Exchange Board of India ('SEBI') vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 ('Circular'), had directed all listed entities to update the bank details of their shareholders holding shares in demat mode and/or physical form, to enable usage of the electronic mode of remittance i.e., National Automated Clearing House ('NACH') for distributing dividends and other cash benefits to the Shareholders.

The Circular further states that in cases where either the bank details such as Magnetic Ink Character Recognition ('MICR') and Indian Financial System Code ('IFSC'), amongst others, that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

Regulation 12 of the Listing Regulations, allows the Company to pay dividend by cheque or 'payable at par' warrants where payment by electronic mode is not possible. Shareholders to note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/delay in transit and more. Shareholders are requested to opt for any of the above mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- In case of holdings in dematerialized form, by contacting their DP and giving suitable instructions to update the bank details in their demat account.
- In case of holdings in physical form, by informing the Company's RTA i.e., TSR Darashaw Limited, through a signed request letter with details such as their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking

Solutions ('CBS') the 9 digit MICR Code Number and the 11 digit IFSC Code. This letter should be supported by cancelled cheque bearing the name of the first shareholder.

Listing on Stock Exchanges

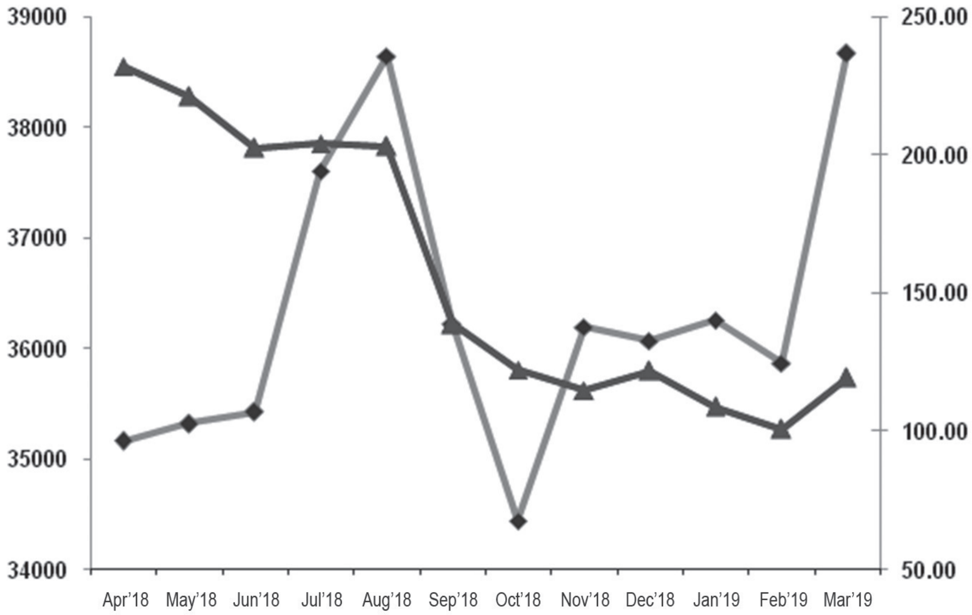
The Company has issued fully paid Ordinary shares which are listed on BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited in India. The annual listing fees have been paid to the respective stock exchanges.

Market Information

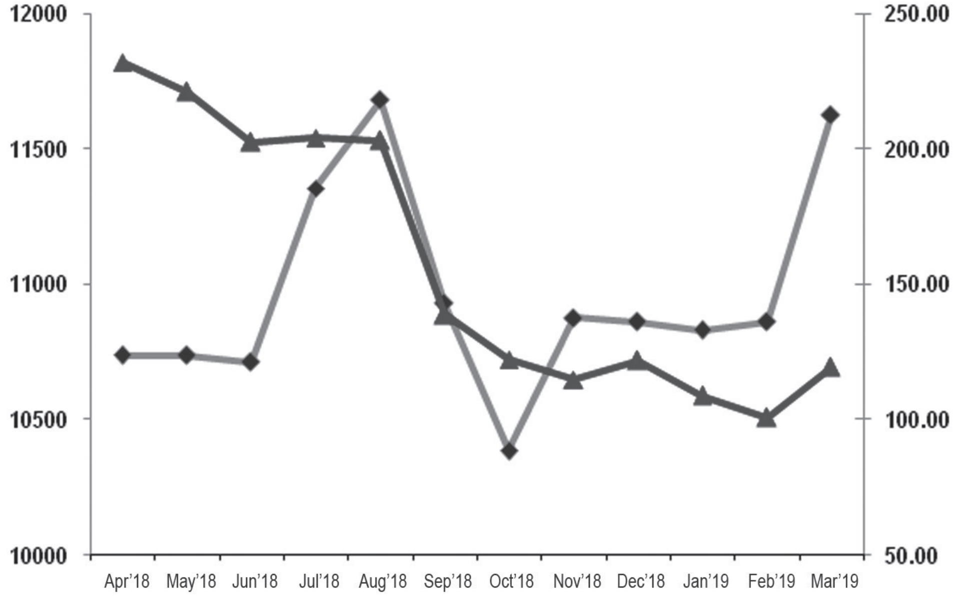
Market Price Data – High, Low (based on the closing prices) and volume during each month in last Financial Year of fully paid shares:

	BSE			NSE		
	High ₹	**Low ₹**	**Volume (No. of Shares)**	**High ₹**	**Low ₹**	**Volume (No. of Shares)**
Apr-18	273.20	231.90	3,36,667	273.90	231.95	13,51,264
May-18	229.55	198.95	1,00,901	230.65	199.15	3,86,752
Jun-18	223.05	195.15	1,40,218	224.15	194.15	7,55,948
Jul-18	214.55	194.30	2,26,800	214.70	195.10	8,80,000
Aug-18	210.50	199.50	1,25,985	211.10	199.85	9,75,247
Sep-18	206.80	139.55	1,81,091	206.70	138.80	9,89,380
Oct-18	133.10	114.70	1,41,161	132.35	115.00	5,37,499
Nov-18	127.65	114.30	89,919	127.40	114.90	3,64,789
Dec-18	124.85	103.35	99,253	124.55	102.80	6,17,612
Jan-19	138.80	107.50	3,07,653	138.80	106.45	18,54,723
Feb-19	108.00	95.35	1,09,515	107.80	95.45	4,22,450
Mar-19	132.30	104.85	3,31,256	131.95	105.30	17,00,008

ix) Performance of TRF Share Price versus BSE Sensex/NIFTY



-□ BSE Sensex (LHS) - ΔTRF Share Price in Rs. (RHS)



- □ NSE Sensex (LHS) - ΔTRF Share Price in ₹ (RHS)

The Company's shares are frequently traded on BSE Limited and National Stock Exchange of India Limited.

Secretarial Audit

The Company's Board of Directors appointed Mr. P.K. Singh & Associates, Practicing Company Secretaries Firm, to conduct the Secretarial Audit of its records and documents for the Financial Year 2018-19. The Secretarial Audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 1996, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

Plant location

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

Directors Qualification Certificate

[In Pursuant to Disclosure under Corporate Governance Report- SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

It is hereby certified that none of the Directors of TRF Limited CIN- L74210JH1962PLC000700 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

This Certificate issued on the basis of examination of Data of Disqualified Directors Maintained by Ministry of Corporate Affairs on its website www.mca.gov.in and List of debarred entity/individuals by SEBI on its website, Declaration and Disclosure submitted by Directors to the Company, their attendance at Board Meeting.

This Certificate is issued on this 10th day of April, 2019 at Jamshedpur.

Pramod Kumar Singh
[Practicing Company Secretary]
[FCS No. 5878- C.P. No. 19115]

TO
THE MEMBERS OF
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 website.

I confirm that the Company has received from the senior management team of the Company and the Members of the Board as on date, a declaration of compliance with the Code of Conduct for the financial year 2018-19 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, 2019.

Place : Kolkata — Sumit Shubhadarshan
Date : April 15, 2019 — Managing Director

INDEPENDENT AUDITOR' S CERTIFICATION ON CORORATE GOVERNANCE TO THE MEMBERS OF TRF LIMITED

TO THE MEMBERS OF
TRF LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 02nd April, 2019
2. We, P.K. Singh & Associates, Company Secretaries, the Secretarial Auditors of TRF Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (the Listing Regulation).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the Minutes Book, Attendance Register, Board and Committee Composition, Stock Exchange Reporting, Legal Compliance Documents, Accounts, Directors Declaration and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of the Company Secretaries of India (The ICSI).
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and other assurance and Related Services Engagements

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of regulations 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For P. K. Singh & Associates
Company Secretaries
(Firm's Registration No. P2002JH045700)

Place: Jamshedpur
Dated: 10th April, 2019.

Pramod Kumar Singh (Partner)
(FCS. 5878 | C.P. No. 19115)

Standalone Fund Flow Statement

Rs. In Lakhs

		2018-19	2017-18	2016-17
	SOURCES			
1	Cash Generated from Operation			
	- Profit /(Loss) After Taxes	**-**	-	-
	- Add: depreciation	**-**	-	-
	Sub total			-
2	Issuance of Non Convertible Preference Shares	**25,000**	-	-
3	Increase in Loan Funds			
	- Bank Borrowings	**-**	-	-
4	Decrease in working Capital	**-**	14,913	8,318
5	Decrease in Investment	**13,699**	-	-
6	Decrease in Loan to subsidiaries	**-**	362	252
7	Refund from Income Tax	**235**	-	-
8	Capital expenditure (net)	**-**	-	-
9	Deferred Tax written back	**-**	-	-
	Total	**38,934**	15,275	8,570
	UTILISATION			
1	Cash utilised in Operation			
	- Loss After Taxes	**10,557**	14,598	2,922
	Less: depreciation	**(339)**	(344)	(411)
	Sub total	**10,218**	14,254	2,511
1	Capital expenditure (net)	**20**	27	71
2	Increase in Investment	**-**	-	-
3	Dividend including tax on dividend, if applicable	**-**	-	-
4	Increase in interest free loan to subsidiary	**-**	-	-
5	Increase in Working Capital	**9,429**	-	-
6	Tax/Deferred Tax (net) for the year	**-**	-	2,352
7	Adjusted in General Reserve	**-**	-	-
8	Decrease in Bank Borrowing (net)	**19,267**	994	3,636
	Total	**38,934**	15,275	8,570

Summarised Balance Sheet as at March 31, 2019 (Standalone)

		As at March 31, 2019	As at March 31, 2018
WHAT THE COMPANY OWNED		**Rs Lakh**	Rs Lakh
1	Fixed Assets (Net)	**2496.39**	2790.81
2	Capital Work-in-progress	**-**	-
3	Non current assets	**14658.95**	21244.15
4	Current assets	**40022.13**	51128.54
5	Total assets	**57,177.47**	75,163.50
WHAT THE COMPANY OWED			
6	Non current liabilities	**3775.48**	4772.86
7	Current liabilities	**60112.72**	89367.09
THE COMPANY's NET WORTH			
8	Shareholders' Equity	**(6,710.73)**	(18,976.45)
	(i.e. the excess of what the company owned over what the company owed)		
	Represented by		
	Share capital		
	Rs 1100.44 lakh (Previous year - Rs 1100.44 lakh)		
	Other Equity		
	Rs (7811.17) lakh (Previous year - Rs (20076.89) lakh)		
		57,177.47	75,163.50

Summarised Statement of Profit and Loss for the year 2018-19 (Standalone)

		Year ended March 31, 2019	Year ended March 31, 2018
1	**Income**	**Rs Lakh**	Rs Lakh
	Net sales & services	**23705.82**	35395.12
	Other income	**733.9**	535.73
	Total income	**24,439.72**	35,930.85
2	**Profit/(Loss) before Interest, Depreciation, Exceptional/Extraordinary Items and Taxes**	**-7772.95**	-14217.89
	Less:		
	Depreciation	**339.14**	366.75
	Finance Cost	**6086.85**	4674.16
3	**Profit/(Loss) before Exceptional/Extraordinary Items and Taxes**	**(14,198.94)**	(19,258.80)
4	**Exceptional items (Profit on disposal of Investment in Joint Venture)**	**3,642.04**	2,703.00
5	**Profit/(Loss) before Taxes**	**(10,556.90)**	(16,555.80)
6	**Provision for taxes / (write back)**	**0**	-1958.15
7	**Profit/(Loss) after Taxes**	**(10,556.90)**	(14,597.65)
8	**Other Comprehensive Income**	**171.68**	(11.16)
9	**Balance in Profit and Loss Account brought forward**	**(35,043.77)**	(20,434.96)
10	**Amount available for appropriation**	**(45,428.99)**	(35,043.77)
11	**Appropriations**		
	Proposed dividend	**-**	-
	Tax on proposed dividend	**-**	-
	General Reserve	**-**	-
	Balance carried to Balance Sheet	**(45,428.99)**	(35,043.77)

INDEPENDENT AUDITORS' REPORT

To the Members of TRF Limited

Report on the audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of TRF Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit/ loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Material Uncertainty Related to Going Concern

4. We draw attention to Note 44.02 with respect to the losses incurred by the company and erosion of its net worth and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The company's ability to continue as a going concern is dependent on generation of the expected cash flows to be able to meet its obligations as and when they arise, for which an uncertainty exists.

Emphasis of Matter

5. We draw attention to Note 44.07 to the financial statements which states that the Reserve Bank of India (RBI) had approved conversion of certain receivables from TRF Singapore Pte Limited, a wholly owned subsidiary (WOS) to equity, subject to the Company applying for compounding of its offence in respect of non-remittance of receivables in foreign currency from the WOS. Though the company had applied to the RBI for compounding, the same has not been accepted by RBI pending fulfilment of other conditions laid by RBI as specified in the note.

   Our opinion is not qualified in respect of these matters.

Key audit matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The matters are stated below and in paragraph 4 above.

   Appropriateness of estimation of cost to complete the project

   (Refer to Note 44.03 to the financial statements)

   The Company recognizes revenue from construction contracts on percentage completion method as specified under Indian Accounting Standards (Ind AS) 115 - Revenue from Contracts with Customers. Determination of revenue requires estimation of total contract costs which is done based on the actual cost incurred till date and the cost to be incurred to complete the projects. The estimation of cost to complete involves exercise of significant judgement by the management and assessment of project data, making forecasts and assumptions.

This has been considered as a key audit matter given the involvement of management judgement and any variation have consequential impact on the recognised revenue.

How our audit addressed the key audit matter

We have performed the following procedures among others :

a) Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete including the review and approval of estimated project cost.

b) Verified the contracts on test check basis entered by the Company for the consideration and relevant terms and conditions relating to variations to the cost.

c) Obtained computation of estimated costs to complete and the percentage of project completion and verified the same against the contractual terms and the work orders placed with vendors.

d) Verified original invoices, purchase orders, receipts etc. for the actual costs incurred upto the year end date.

e) Discussed the status of the projects with the Company's project management team and evaluated the reasonableness of the estimates made by the management of costs to be incurred for completion of the respective projects.

f) Verified the revision in total cost of the contracts by comparing the management estimates revised during the current year with the estimate made in earlier years and obtained reasons for such revision, including verification of correspondence with the vendors in case of renegotiation of prices with them and the approvals for the same.

Based on the above procedures performed, we considered the management's estimation of cost to complete the project to be reasonable.

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and management discussion analysis, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

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

9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 43 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 and Note 21 to the financial statements;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

   iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E 300009
Chartered Accountants

Sougata Mukherjee
Partner
Membership Number 057084

Place: Kolkata,
Date: April 15, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of TRF Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of TRF Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to

financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E 300009
Chartered Accountants

Sougata Mukherjee
Partner
Membership Number 057084

Place: Kolkata,
Date: April 15, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of TRF Limited on the standalone financial statements as of and for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax and goods and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 43 to the financial Statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of value added tax, duty of customs, duty of excise and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax and service tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax laws	Income Tax	1,836.73	A.Y 2005-06, A.Y 2011-12 and A.Y 2012-13	Appellate authority – Tribunal level
Income Tax laws	Income Tax	281.34	A.Y 2005-06, A.Y 2006-07	Assistant Commissioner
Income Tax laws	Income Tax	2,168.99	A.Y 2013-14, A.Y 2014-15	CIT (A)
Sales Tax Act	Sales tax	4,051.38	1996-99, 2006-07, 2010-2018	Appellate authority – upto commissioner level
Sales Tax Act	Sales tax	636.64	2008-12, 2013-2014,	Appellate authority – Tribunal level
Service Tax Laws	Service Tax	4,255.73	2009-16	Appellate authority – Tribunal level
Service Tax Laws	Service Tax	165.16	2003-07, 2015-17	Appellate authority – upto commissioner level

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. The managerial remuneration paid/provided is subject to approval of shareholders in the Annual General Meeting of the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has made a preferential allotment of shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E 300009
Chartered Accountants

Sougata Mukherjee
Partner
Membership Number 057084

Place: Kolkata,
Date: April 15, 2019

Balance Sheet as at March 31, 2019

Rs. lakhs

	Note	As at 31.03.2019	As at 31.03.2018
(I) ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	03	**2,479.43**	2,768.62
(b) Intangible assets	04	**16.96**	22.19
		2,496.39	2,790.81
(c) Financial assets			
(i) Investments			
a) Investment in subsidiaries	05	**9,181.37**	18,126.82
b) Other investments	06	**57.91**	47.28
(ii) Other financial assets	07	**15.76**	60.29
(d) Other non-current assets	08	**3,320.11**	313.16
(e) Advance Income tax assets (net)		**2,083.80**	2,696.60
		17,155.34	24,034.96
(2) Current Assets			
(a) Inventories and contracts in progress	09	**6,462.62**	8,378.35
(b) Financial assets			
(i) Trade receivables	10	**27,919.36**	34,817.36
(ii) Cash and cash equivalents	11	**1,507.80**	618.49
(iii) Other balances with Bank	11	**1,022.77**	533.67
(iv) Other financial assets	12	**608.09**	1,409.96
(v) Derivative assets	13	**-**	96.39
(c) Other current assets	14	**2,501.49**	5,274.32
		40,022.13	51,128.54
TOTAL ASSETS		**57,177.47**	75,163.50
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	**1,100.44**	1,100.44
(b) Other equity	16	**(7,811.17)**	(20,076.89)
		(6,710.73)	(18,976.45)
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	**2,370.77**	3,399.51
(ii) Other financial liabilities	18	**8.12**	-
(b) Provisions	21	**1,372.91**	1,347.45
(c) Other non-current liabilities	22	**23.68**	25.90
(d) Deferred tax liabilities (net)	23	**-**	-
		3,775.48	4,772.86
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	**15,348.62**	26,942.37
(ii) Derivative liabilities	20	**2.02**	5.30
(iii) Trade payables	25		
(a) total outstanding dues of micro and small enterprises		**762.05**	437.71
(b) total outstanding dues of creditors other than (iii)(a) above		**23,823.92**	29,509.38
(iv) Other financial liabilities	26	**3,550.36**	6,917.08
(b) Provisions	21	**2,263.08**	4,044.86
(c) Other current liabilities	27	**12,708.57**	19,464.86
(d) Current Income tax liabilities (net)		**1,654.10**	2,045.53
		60,112.72	89,367.09
TOTAL EQUITY AND LIABILITIES		**57,177.47**	75,163.50

See accompanying notes forming part of the financial statements

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009

Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha — *Chairman*
Sumit Shubhadarshan — *Managing Director*
Shaktishree Das — *Chief Financial Officer*
Subhashish Datta — *Company Secretary*

Kolkata
15th April, 2019

Statement of Profit and Loss for the year ended March 31, 2019

Rs. lakhs

		Note	Year ended 31.03.2019	Year ended 31.03.2018
(1)	**Revenue from operations**	28	**23,705.82**	35,395.12
(2)	**Other income**	29	**733.90**	535.73
(3)	**Total Revenue (1) + (2)**		**24,439.72**	35,930.85
(4)	**Expenses**			
	(a) Cost of materials consumed	30	**7,858.59**	20,341.58
	(b) Payment to sub-contractors		**5,647.77**	8,376.71
	(c) Changes in inventories of finished products, work in progress and contracts in progress	31	**1,602.03**	2,936.75
	(d) Employee benefits expense	32	**4,426.68**	5,320.78
	(e) Finance costs	33	**6,086.85**	4,674.16
	(f) Depreciation and amortisation expense	34	**339.14**	366.75
	(g) Excise duty on sale of goods		**-**	241.97
	(h) Other expenses	35	**12,677.60**	12,930.95
	Total Expenses (4)		**38,638.66**	55,189.65
(5)	**Profit /(Loss) before exceptional items and tax (3) - (4)**		**(14,198.94)**	(19,258.80)
(6)	**Exceptional Items**			
	(a) Gain on Foreign Currency fluctuation	44.05	**3,775.22**	-
	(b) Profit on sale of non-current investments		**-**	2,703.00
	(c) Impairment in the value of investment in Subsidiary	44.09	**(133.18)**	
	Total Exceptional Items (6)		**3,642.04**	2,703.00
(7)	**Profit/(Loss) before tax (5) + (6)**		**(10,556.90)**	(16,555.80)
(8)	**Tax Expense**			
	(a) Current tax			
	(i) Current tax for current year		**-**	-
	(b) Deferred tax			
	(i) Deferred tax for current year		**-**	(1,958.15)
	Total tax expense (8)		**-**	(1,958.15)
(9)	**Profit /(Loss) for the period (7) - (8)**		**(10,556.90)**	(14,597.65)
(10)	**Other comprehensive income**			
	(a) Items that will not be reclassified to statement of profit and loss			
	(i) Equity instruments through other comprehensive income		**10.63**	11.23
	(ii) Remeasurement of the employees defined benefit plans		**171.68**	(11.16)
	Total other comprehensive income (10)		**182.31**	0.07
(11)	**Total comprehensive income for the period (9) + (10)**		**(10,374.59)**	(14,597.58)
(12)	**Earnings per equity share: (Face value of share of Rs 10 each)**	38		
	(a) Basic		**(95.93)**	(132.65)
	(b) Diluted		**(95.93)**	(132.65)

See accompanying notes forming part of the financial statements

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009

Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha — *Chairman*
Sumit Shubhadarshan — *Managing Director*

Shaktishree Das — *Chief Financial Officer*
Subhashish Datta — *Company Secretary*

Kolkata
15th April, 2019

Cash Flow Statement for the year ended March 31, 2019

Rs. lakhs

		Year ended 31.03.2019	Year ended 31.03.2018
A.	**Cash Flow from Operating activities:**		
	Profit / (Loss) for the period	**(10,556.90)**	(14,597.65)
	Adjustments for:		
	Income tax expenses recognised in the statement of profit and loss	**-**	(1,958.15)
	Depreciation and amortisation expense	**339.14**	366.75
	Provision for doubtful debts and advances	**5,723.63**	6,767.95
	Interest income	**(13.83)**	(0.18)
	Dividend income	**(0.33)**	(0.28)
	Profit on sale of non-current investment	**-**	(2,703.00)
	Impairement in the value of investment in Subsidiary	**133.18**	-
	Gain on Foreign Currency fluctuation (refer Note 44.05)	**(3,775.22)**	-
	Interest expenses	**5,636.85**	4,337.53
	Net loss on foreign currency derivatives	**93.11**	200.10
	(Profit)/loss on sale of property, plant & equipments	**0.06**	(0.65)
	Exchange loss/(gain) in respect of borrowing & investment	**825.90**	(151.69)
	Operating profit before working capital changes	**(1,594.41)**	(7,739.27)
	Adjustments for (increase)/decrease in operating assets		
	Inventories and contracts in progress	**1,915.73**	4,454.64
	Trade receivables	**1,916.72**	5,518.96
	Non-current financial assets	**44.53**	2,475.83
	Other non-current assets	**(3,538.29)**	(20.14)
	Current financial assets	**(148.24)**	(2,009.02)
	Other current assets	**2,112.00**	246.00
	Adjustments for increase/(decrease) in operating liabilities		
	Trade payables	**(5,361.12)**	(1,143.84)
	Other current liabilities	**(6,756.29)**	(192.11)
	Provisions	**(1,584.64)**	864.64
	Non-current financial liabilities	**8.12**	-
	Other non-current liabilities	**(2.22)**	4.37
	Cash generated from/(used in) operations	**(12,988.11)**	2,460.06
	Direct taxes (refunded) / paid	**235.05**	(203.33)
	Net cash (used in) / generated from operating activities	**(12,753.06)**	2,256.73
B.	**Cash Flow from Investing activities:**		
	Purchase of property, plant & equipment	**(19.91)**	(78.78)
	Sale of property, plant & equipment	**-**	15.29
	Investments in subsidiary	**(978.21)**	-
	Sale of non-current investments	**13,565.70**	3,060.00
	Dividend received	**0.33**	0.28
	Interest received others	**0.15**	0.19
	Interest and guarantee fee received from subsidiary	**978.21**	-
	Net cash from investing activities	**13,546.27**	2,996.98

Cash Flow Statement for the year ended March 31, 2019 *(Contd.)*

Rs. lakhs

		Year ended 31.03.2019	Year ended 31.03.2018
C.	**Cash Flow from Financing activities:**		
	Proceeds from issuance of Preference shares	**25,000.00**	-
	Proceeds from long-term borrowings	**-**	4,000.00
	Proceeds from secured short term borrowing	**9,955.44**	-
	Proceeds from /(payments against) bills discounted (net)	**-**	(705.15)
	Proceeds from /(repayment against) working capital borrowings (net)	**(11,485.66)**	1,312.29
	Proceeds from buyer's credit	**-**	104.68
	Proceeds from Inter Corporate Deposit	**24,200.00**	-
	Repayment of long-term borrowings	**(6,801.78)**	(5,052.94)
	Repayment of secured short term borrowing	**(10,850.95)**	-
	Repayment of buyer's credit	**(108.37)**	(512.34)
	Repayment of Inter Corporate Deposit	**(24,200.00)**	-
	Premium paid on FC Options for long term loans	**-**	(55.87)
	Interest and other borrowing costs paid	**(5,612.58)**	(4,365.82)
	Net cash (used in) / from financing activities	**96.10**	(5,275.15)
Net increase/(decrease) in cash and cash equivalents		**889.31**	(21.44)
Cash and cash equivalents as at 1 April,[1] 2018		**618.49**	639.93
Cash and cash equivalents as at 31 March,[1] 2019		**1,507.80**	618.49

See accompanying notes forming part of the financial statements

Notes:

1 Cash and cash equivalents represents cash, cheques on hand and balances with banks. [refer Note. 11(a)]

2 Figures in brackets represent outflows.

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration No. : 304026E / E-300009

Sougata Mukherjee

Partner (Membership no. : 057084)

Kolkata

15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman

Sumit Shubhadarshan
Managing Director

Shaktishree Das
Chief Financial Officer

Subhashish Datta
Company Secretary

Kolkata

15th April, 2019

Statement of changes in equity for the year ended March 31, 2019

A. Equity share capital

Particulars	Rs. lakhs
Balance as at March 31, 2018	**1,100.44**
Changes in equity share capital during the year ended 31 March, 2019	–
Balance as at March 31, 2019	**1,100.44**

B. Other equity

Rs. lakhs

Statement of changes in equity	Reserves and surplus						Items of other comprehensive income	
	Amalgamation reserve	Foreign exchange fluctuation reserve	General reserve	Foreign currency monetary item translation difference account	Retained earnings	Equity component of 12.5% Non Convertible Redeemable Preference Shares	Equity investment through OCI	Total equity
Balance as at March 31, 2017	61.81	448.20	14,420.71	(26.71)	(20,434.96)	-	36.01	(5,494.94)
Loss for the year	-	-	-	-	(14,597.65)	-	-	(14,597.65)
Additions during the year	-	-	-	2.68	-	-	-	2.68
Recognised in the statement of profit & loss during the year	-	-	-	12.95	-	-	-	12.95
Other comprehensive income	-	-	-	-	(11.16)	-	11.23	0.07
Balance as at March 31, 2018	61.81	448.20	14,420.71	(11.08)	(35,043.77)	-	47.24	(20,076.89)
Loss for the year	-	-	-	-	(10,556.90)	-	-	(10,556.90)
Additions during the year	-	-	-	(58.13)	-	22,629.23	-	22,571.10
Recognised in the statement of profit and loss during the year	-	-	-	69.21	-	-	-	69.21
Other comprehensive income	-	-	-	-	171.68	-	10.63	182.31
Balance as at March 31, 2019	**61.81**	**448.20**	**14,420.71**	**0.00**	**(45,428.99)**	**22,629.23**	**57.87**	**(7,811.17)**

See accompanying notes forming part of the financial statements

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman

Sumit Shubhadarshan
Managing Director

Shaktishree Das
Chief Financial Officer

Subhashish Datta
Company Secretary

Kolkata
15th April, 2019

Notes forming part of the financial statements

1. **General corporate information**

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

The financial statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company.

2. **Summary of significant accounting policies**

2.01 Statement of compliance

The financial statements for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") under Section 133 of Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 (the Rules) issued by Ministry of Corporate Affairs (MCA).

2.02 Basis of preparation and presentation

These separate financial statements of the Company are prepared under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these separate financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are catergorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. (Refer note 40.09)

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.03 Use of estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Revenue from construction contracts (Refer Note 2.04(ii))
- Useful lives of Property, plant and equipment & intangible assets (Refer Note 2.10 and 2.11)
- Assets and obligations relating to employee benefits (Refer Note 39)

Notes forming part of the financial statements

- Valuation and measurement of income taxes and deferred taxes (Refer Note 2.09)
- Provisions and Contingencies (Refer Note 2.14)
- Retention money receivable (Refer foot note below Note 10)
- Going Concern (Refer Note 44.02)

2.04 Revenue recognition

The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (India Accounting Standard) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has adopted Ind As 115 using the modified retrospective approach. The adoption of the standard did not have any material impact to the financial statement of the Company.

The Company is in the business of supply and erection and commissioning of bulk material handling equipment. The equipment and services are sold both on their own in separate identified contracts with customers and together as a bundled package of goods and/or services. The Company is also engaged in production of material handling equipment at its manufacturing plant in Jamshedpur.

Revenue is measured at fair value of the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government.

i) Sale of goods

For contracts with customers in which the sale of equipment is generally expected to be the only performance obligation, adoption of Ind AS 115 does not have any material impact on the Company's revenue and profit or loss. The Company has concluded that the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods as per the terms of the contracts with the customers.

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company provides normal warranty for general repairs for 12 to 18 months on products sold in line with industry practice. A liability is recognised at the time the product is sold.

ii) Construction contracts

Revenue from contracts are recognised with reference to the stage of completion method in accordance with Ind AS - 115. Obligations under the long term construction contracts are satisfied over time given that the customer simultaneously receives and consumes the benefits provided by the company. Revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion.

The outcome of a construction contract is considered as estimated reliably when (a) all critical approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crore, profit is recognised when stage of completion is 40% or more, and for

Notes forming part of the financial statements

contracts valued more than Rs. 100 crore, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crore whichever is higher. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, cement and other related items are considered at current market price based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as amount due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included as a liability as advances received. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

iii) Service Contracts

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case ,the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

iv) Dividend and interest income

Dividend income is recognised when the company's right to receive payment has been established and that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

2.05 Lease

The Company as lessee

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

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

2.06 Foreign currencies

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts and net investment in non-integral foreign operations) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange difference on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the statement of profit and loss on disposal of the net investments.

2.07 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.08 Employee benefits

i) Short-term benefits

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

ii) Defined contribution plans

Payments to defined contribution plans are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees and Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis-s-vis interest rate declared by the Employees' Provident Fund Organisation. The liability as on the balance sheet date is ascertained by an independent actuarial valuation.

iii) Defined benefit plans

The cost of providing defined benefit plans are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. The Company provides gratuity to its employees and pension to retired whole-time directors. Gratuity liabilities are funded and managed through separate trust (except in case of some of the employees of Port and Yard Equipment Division where the funds are managed by Life Insurance Corporation of India). The liabilities towards pension to retired whole-time directors are not funded.

Remeasurements, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to the

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

statement of profit and loss but recognised directly in the retained earnings. Past service costs are recognised in the statement of profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognised in the statement of profit and loss are categorised as follows :

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- net interest expense or income.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

iv) Other Long-term benefits

The Company provides annual leave which are accumulating and vesting to its employees. The annual leave benefit is not funded. The cost of providing annual leave benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. All actuarial gains or losses are recognised in the statement of profit and loss in the period in which they occur.

2.09 Taxation

i) Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets arising from the deductible temporary differences are only recognised to the extent it is probable that there will be sufficient taxable profits against which the benefits of the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

iii) Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, Plant and Equipment

Property, Plant and Equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings and Roads	:	**5 to 60 years**
Plant and Equipment	:	**3 to 15 years**
Electrical Installations	:	**10 years**
Laboratory Equipment	:	**10 years**
Furniture and Fixtures	:	**10 years**
Office Equipments	:	**3 to 5 years**
Computers	:	**3 years**
Motor Vehicles	:	**5 to 8 years**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

2.11 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised on straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows:

Software	:	**1 to 10 years**

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in the statement of profit and loss.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in the statement of profit and loss.

2.13 Inventories

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

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

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

2.14 Provisions, Contingent liabilities and Contingent assets

2.14.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.14.02 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's warranty obligation.

2.14.03 Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

2.14.04 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the separate financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

2.16 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a transaction date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.01 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the statement of profit and loss and is included in the "Other income" line item.

2.16.02 Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Company has equity investments in two entities, and elected to FVTOCI irrevocable option for both of these investments.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the profit and loss.

2.16.03 Financial assets at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading (see note 2.16.02 above).

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'Other income' line item.

2.16.04 Investment in Subsidiaries, Joint ventures and Associates

Investments in subsidiaries, joint venture and associates are measured at cost as per Ind AS 27 – Separate Financial Statement.

2.16.05 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-months expected credit losses. 12-months expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures loss allowance for a financial instrument at life time expected credit loss model in the previous period, but determines at the end of reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowances based on 12 months expected credit loss.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.16.06 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16.07 Foreign exchange gain and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

2.17 Financial liabilities and equity instruments

2.17.01 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

2.17.02 Classification as debt or equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2.17.03 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.17.03 (i) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

2.17.03 (ii) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

2.17.04 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115

2.17.05 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.17.06 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new

Notes forming part of the financial statements

2. Summary of significant accounting policies *(Contd.)*

financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17.07 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.18 Segment

Information reported to the Chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Products & services
- Project & services.

The Company's chief operating decision maker is the Managing Director.

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue 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.

The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

2.19 Earning per share

Basic earnings per share is computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year.

Diluted earning per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.20 Recent accounting pronouncements - Standards issued but not yet effective :

Ind AS - 116 : Leases

The Ministry of Corporate Affairs (MCA) has notified (Indian Accounting Standards) (Amendment) Rules 2018 to amend the above Ind AS. The amendment will come into force from accounting period commencing on or after April 1, 2019. The company is in the process of assessing the possible impact of Ind AS - 116 and shall adopt the amendment from effective date.

Notes forming part of the financial statements

3. Property, plant and equipment

Rs. lakhs

	Building and Roads	Plant and Machinery	Electrical Installation	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Total
Cost or deemed cost								
Balance at March 31, 2017	2,124.96	1,369.17	146.16	13.38	43.24	49.18	93.40	3,839.49
Additions	–	10.96	2.22	16.18	–	9.06	21.88	60.30
Disposals	–	(5.37)	(0.13)	–	–	–	(32.09)	(37.59)
Balance at March 31, 2018	2,124.96	1,374.76	148.25	29.56	43.24	58.24	83.19	3,862.20
Additions	–	25.72	–	–	–	12.11	–	37.83
Disposals	–	(1.00)	–	–	–	(0.40)	–	(1.40)
Balance at March 31, 2019	**2,124.96**	**1,399.48**	**148.25**	**29.56**	**43.24**	**69.95**	**83.19**	**3,898.63**
Accumulated depreciation								
Balance at March 31, 2017	189.08	436.46	56.85	2.41	17.81	25.82	42.72	771.15
Depreciation expense	82.49	201.18	27.48	2.08	6.89	10.45	14.81	345.38
Disposals	–	(3.65)	(0.12)	–	–	–	(19.18)	(22.95)
Balance at March 31, 2018	271.57	633.99	84.21	4.49	24.70	36.27	38.35	1,093.58
Depreciation expense	80.68	194.45	20.20	3.02	6.36	9.60	12.65	326.96
Disposals	–	(0.94)	–	–	–	(0.40)	–	(1.34)
Balance at March 31, 2019	**352.25**	**827.50**	**104.41**	**7.51**	**31.06**	**45.47**	**51.00**	**1,419.20**
Carrying amount								
Balance at March 31, 2017	1,935.88	932.71	89.31	10.97	25.43	23.36	50.68	3,068.34
Additions	–	10.96	2.22	16.18	–	9.06	21.88	60.30
Disposals	–	(1.72)	(0.01)	–	–	–	(12.91)	(14.64)
Depreciation expense	(82.49)	(201.18)	(27.48)	(2.08)	(6.89)	(10.45)	(14.81)	(345.38)
Balance at March 31, 2018	1,853.39	740.77	64.04	25.07	18.54	21.97	44.84	2,768.62
Additions	–	25.72	–	–	–	12.11	–	37.83
Disposals	–	(0.06)	–	–	–	–	–	(0.06)
Depreciation expense	(80.68)	(194.45)	(20.20)	(3.02)	(6.36)	(9.60)	(12.65)	(326.96)
Balance at March 31, 2019	**1,772.71**	**571.98**	**43.84**	**22.05**	**12.18**	**24.48**	**32.19**	**2,479.43**

Note : For details of carrying amount of assets pledged as security for secured borrowings refer Note 19.

Notes forming part of the financial statements

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
4. Intangible assets		
Carrying amount of :		
(a) Computer software	**16.96**	22.19
Total	**16.96**	22.19

	Computer Software Rs. lakhs
Cost or deemed cost	
Balance at March 31, 2017	151.08
Additions	0.55
Disposals	-
Balance at March 31, 2018	151.63
Additions	6.95
Disposals	-
Balance at March 31, 2019	**158.58**
Accumulated amortisation	
Balance at March 31, 2017	108.07
Amortisation expense	21.37
Disposals	-
Balance at March 31, 2018	129.44
Amortisation expense	12.18
Disposals	-
Balance at March 31, 2019	**141.62**
Carrying amount	
Balance at March 31, 2017	43.01
Additions	0.55
Disposals	-
Amortisation expense	(21.37)
Balance at March 31, 2018	22.19
Additions	6.95
Disposals	-
Amortisation expense	(12.18)
Balance at March 31, 2019	**16.96**

Notes forming part of the financial statements

	As at 31.03.2019		As at 31.03.2018	
	Qty	**Amount**	Qty	Amount
	Nos.	**Rs. lakhs**	Nos.	Rs. lakhs
Non-current investments				
5. Investments in subsidiaries (carried at cost)				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments of				
TRF Holdings Pte Limited at face value of SGD 1 each	**1**	*****	1	*
TRF Singapore Pte Limited [net of impairement Rs. 133.18 lacs (March 31, 2018 : Rs. Nil)] (refer Note 44.05 & 44.06)	**25,983,481**	**9,181.37**	50,288,324	18,126.82
Total aggregate Unquoted investments	**25,983,482**	**9,181.37**	50,288,325	18,126.82
* Represent values below Rs 1,000				
6. Other non-current investments				
(Carried at fair value through other comprehensive income)				
a) Quoted Investments (all fully paid)				
Investments in Equity Instruments of				
HDFC Bank Limited	**2,500**	**57.91**	2,500	47.28
Total aggregate Quoted investments	**2,500**	**57.91**	2,500	47.28
b) Unquoted Investments (all fully paid)				
Investments in Equity Instruments of				
Nicco Jubilee Park Limited [Net of Impairment Rs. 3 lakhs (March 31, 2018 : Rs. 3 lakhs)]	**30,000**	**-**	30,000	-
Total aggregate Unquoted investments	**30,000**	**-**	30,000	-
Total aggregate other non-current investments	**32,500**	**57.91**	32,500	47.28
Total non-current investments		**9,239.28**		18,174.10
Aggregate book value of quoted investment		**57.91**		47.28
Aggregate market value of quoted investment		**57.91**		47.28
Aggregate carrying value of unquoted investments		**9,181.37**		18,126.82
Aggregate amount of impairment in the value of investments		**(136.18)**		(3.00)

Notes forming part of the financial statements

			As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
7.	**Other non-current financial assets**			
	(Unsecured considered good)			
	(a)	Security deposits	**14.67**	58.80
	(b)	Others	**1.09**	1.49
			15.76	60.29
8.	**Other non-current assets**			
	(a)	Capital advances		
		Considered good	**5.75**	5.75
		Considered doubtful	**90.58**	90.58
			96.33	96.33
		Less: Provision for doubtful advances	**90.58**	90.58
			5.75	5.75
	(b)	Advance with public bodies		
		i) Excise	**173.90**	172.58
		ii) Sales tax/value added tax		
		Considered good	**2,805.44**	132.47
		Considered doubtful	**531.34**	-
			3,336.78	132.47
		Less: Provision for doubtful advances	**531.34**	-
			2,805.44	132.47
	(c)	Other loans and advances		
		Prepayments	**18.52**	2.36
		Others	**316.50**	-
			335.02	2.36
			3,320.11	313.16
9.	**Inventories and contracts in progress (At lower of cost and net realisable value)**			
	a)	Inventories		
		i) Raw materials (At lower of cost and net realisable value)	**1,786.86**	2,109.94
		ii) Work-in-progress (At lower of cost and net realisable value)	**1,230.51**	2,172.02
		iii) Finished products (At lower of cost and net realisable value)	**1,274.65**	1,343.34
		iv) Stores and spare parts (At or lower than cost)	**84.21**	80.66
		v) Loose tools (At or lower than cost)	**30.99**	25.16
			4,407.22	5,731.12
	b)	Contracts in Progress	**2,055.40**	2,647.23
	Total inventories		**6,462.62**	8,378.35

Note :

1. The cost of inventories recognised as an expense during the year in respect of write downs of inventory to its net realisable value was Rs 210.76 lakhs (for the year ended March 31, 2018 : Rs 116.13 lakhs).
2. The mode of valuation of inventories has been stated in note 2.13.
3. For details of carrying amount of inventories pledged as security for secured borrowings refer Note 19.

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
10.	**Trade receivables (current)**		
	(a) Trade Receivable	**43,310.08**	45,971.78
	(b) Receivable from related parties (refer Note 41.02)	**2,175.41**	1,430.17
		45,485.49	47,401.95
	Less : Loss allowance	**(17,566.13)**	(12,584.59)
	Total Receivable	**27,919.36**	34,817.36
	Current portion	**27,919.36**	34,817.36
	Non-current portion	**-**	-
	Break-up of Security details		
	(a) Trade receivable considered good - Secured	**-**	-
	(b) Trade receivable considered good - Unsecured	**45,485.49**	47,401.95
	(c) Trade receivable which have significant increase in credit risk	-	-
	(d) Trade receivables - credit impaired	**-**	-
	Total	**45,485.49**	47,401.95
	Less :Loss allowance	**(17,566.13)**	(12,584.59)
		27,919.36	34,817.36

Notes:

1. For details of carrying amount of trade receivables pledged as security for secured borrowings refer Note 19.
2. The credit period given to customers range from 0 to 30 days. No interest is charged on the overdue amounts.

Movement in Loss Allowance	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Opening balance	**12,584.59**	8,103.22
Additions during the year	**6,018.63**	4,822.44
Write back during the year	**(1,037.09)**	(341.07)
Closing balance	**17,566.13**	12,584.59

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
11.	**Cash and bank balances**		
	(a) Cash and cash equivalents		
	(i) Cash on hand	**5.36**	4.57
	(ii) Balances with banks		
	In current accounts	**1,469.90**	509.31
	In cash credit accounts	**32.54**	104.61
	Total cash and cash equivalents	**1,507.80**	618.49
	(b) Other bank balances		
	In dividend accounts	**6.26**	8.99
	Earmarked balance for Margin money	**77.99**	46.68
	Earmarked balance for Interest	**938.52**	478.00
		1,022.77	533.67
	Total cash and bank balances	**2,530.57**	1,152.16
	Included above		
	(i) Earmarked balance for unpaid dividend	**6.26**	8.99

Notes forming part of the financial statements

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
12. Other financial assets		
(a) Security deposits		
Considered good	-	25.30
Considered doubtful	**156.98**	115.19
	156.98	140.49
Less: Provision for doubtful deposits	**156.98**	115.19
	-	25.30
(b) Receivable from related parties (refer Note 41.02)		915.44
(c) Others : Considered Good*	**608.09**	469.22
Others : Considered doubtful	**2,285.10**	2,285.10
	2,893.19	2,754.32
Less : Provision for doubtful advances	**2,285.10**	2,285.10
	608.09	469.22
*includes unbilled revenue Rs. 594.86 lakhs (March 31, 2018 Rs. 193.03 lakhs)	**608.09**	1,409.96
13. Derivative assets		
(a) Interest rate swaps	-	6.87
(b) Foreign currency options	-	89.52
	-	96.39
14. Other current assets		
(a) Advance with public bodies		
i) Excise	-	1.57
ii) Sales tax/Value added tax		
Considered good	-	3,004.97
Considered doubtful	-	23.12
	-	3,028.09
Less: Provision for doubtful advances	-	23.12
	-	3,004.97
iii) Goods and Service tax		
Considered good	**693.71**	549.26
Considered doubtful	**70.73**	-
	764.44	549.26
Less: Provision for doubtful advances	**70.73**	-
	693.71	549.26
(b) Advances to related parties (refer Note 41.02)	**146.59**	151.76
(c) Other loans and advances		
i) Advance to suppliers	**850.78**	535.60
ii) Other advances and prepayments		
Prepayments	**237.99**	210.58
Others - Considered good	**572.42**	820.58
Others - Considered Doubtfull	**192.12**	-
	1,002.53	1,031.16
Less: Provision for doubtful advances	**192.12**	-
	810.41	1,031.16
	2,501.49	5,274.32

Notes forming part of the financial statements

15. Share capital

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Authorised:		
30,000,000 Equity Shares of Rs. 10 each	**3,000.00**	3,000.00
(as at March 31, 2018 : 30,000,000; Equity Shares of Rs. 10 each)		
250,000,000 Preference Shares of Rs 10 each (refer Note 44.04)	**25,000.00**	-
	28,000.00	3,000.00
Issued, Subscribed and fully paid up:		
11,004,412 Equity Shares of Rs. 10 each	**1,100.44**	1,100.44
(as at March 31, 2018 : 11,004,412; Equity Shares of Rs. 10 each)		
	1,100.44	1,100.44

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

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

	For the year ended 31.03.2019		For the year ended 31.03.2018	
	No. of Shares	**Amount Rs. lakhs**	No. of Shares	Amount Rs. lakhs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning & end of the year	**11,004,412**	**1,100.44**	11,004,412	1,100.44
Issued during the year	**-**	**-**	-	-
At end of the year	**11,004,412**	**1,100.44**	11,004,412	1,100.44

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

	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	**%**	No. of Shares	%
Tata Steel Limited	**3,753,275**	**34.11%**	3,753,275	34.11%

Rights, preferences and restrictions attached to shares

Equity shares

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

Preference Shares

The Company has one class of 12.5% Non-Convertible Redeemable Preference Shares ('NCRPS') having a par value of Rs.10 per share. Each preference shareholder is eligible for one vote per share as per terms of Section 47(2) of the Companies Act 2013 and dividend as and when declared by the Company. As per the terms of preference shares, NCRPS shall be redeemable at par upon maturity or redeemed early at the option of the Company in full or in part at 3 monthly intervals from the date of allotment. In the event of winding up of Company, NCRPS shall be non-participating in surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company.

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
16.	**Other equity**		
a)	Amalgamation reserve	**61.81**	61.81
b)	Foreign exchange fluctuation reserve	**448.20**	448.20
c)	General reserve	**14,420.71**	14,420.71
d)	Foreign currency monetary item translation difference	**-**	(11.08)
e)	Reserve for equity investment through OCI	**57.87**	47.24
f)	Retained earnings	**(45,428.99)**	(35,043.77)
g)	Equity Component of 12.5% Non Convertible Redeemable Preference Shares	**22,629.23**	-
		(7,811.17)	(20,076.89)

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Amalgamation reserve		
Opening and closing balance	**61.81**	61.81
General reserve		
Opening and closing balance	**14,420.71**	14,420.71
Foreign exchange fluctuation reserve		
Opening and closing balance	**448.20**	448.20
Foreign currency monetary item translation difference account		
Opening balance	**(11.08)**	(26.71)
Add: Additions during the year	**(58.13)**	2.68
Less: Recognised in the statement of profit and loss during the year	**69.21**	12.95
Closing balance	**-**	(11.08)
Reserve for equity investment through OCI		
Opening balance	**47.24**	36.01
Other Comprehensive Income	**10.63**	11.23
Closing balance	**57.87**	47.24
Retained Earnings		
Opening balance	**(35,043.77)**	(20,434.96)
Loss for the year	**(10,556.90)**	(14,597.65)
Other Comprehensive Income	**171.68**	(11.16)
Closing balance	**(45,428.99)**	(35,043.77)
Equity Component of 12.5% Non Convertible Redeemable Preference Shares (Refer note 44.04)		
Opening balance	**-**	-
Add: Additions during the year	**22,629.23**	-
Closing balance	**22,629.23**	-
	(7,811.17)	(20,076.89)

Note :

(a) General reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Notes forming part of the financial statements

(b) Reserve for equity instrument through other comprehensive income (OCI) : This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

(c) Foreign exchange fluctuation reserve : Foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items or disposal of investment.

(d) Foreign currency monetary item translation difference reserve : Exchange differences arising on settlement and remeasurement of long-term foreign currency monetary items are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the maturity period or upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of profit and loss.

(e) Equity component of 12.5% Non Convertible Redeemable Preference Shares : This reserve represents Equity portion of 12.5% Non cummulative redeemable preference shares. (refer Note 44.04)

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
17. Non-current borrowings		
A. Secured at amortised cost		
(a) Term loans		
From banks (For security details refer Note 19)	**-**	3,399.51
B. Unsecured		
(a) Liability component of 12.50% Non Convertible Redeemable Preference Shares (refer Note 44.04)	**2,370.77**	-
Total non-current borrowings	**2,370.77**	3,399.51
18. Non-current Financial Liabilities		
Liabilities for Amortised Interest Cost *	**8.12**	-
	8.12	-

* Interest Cost on liability component of 12.50% Non Convertible Redeemable Preference Shares.

Notes forming part of the financial statements

19. Borrowings at amortised cost

Name of the bank	**As at 31.03.2019** Long-term			As at 31.03.2018 Long-term			Security
	Long-term	**Short-term**	**Current Maturity (Refer Note 26)**	Long-term	Short-term	Current Maturity (Refer Note 26)	**Security**
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	Rs. lakhs	Rs. lakhs	
Dena Bank	-	-	-	-	-	250.00	Secured by pari passu first charge on all the fixed assets and second charge on all current assets of the Company
Axis Bank Limited	-	-	**1,572.01**	1,572.01	-	2,880.52	Secured by pari passu first charge on the fixed assets of the Company, present and future except assets charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on all current assets of the Company.
Axis Bank Limited	-	**855.55**	-	-	4,964.75	-	Secured by pari passu first charge on all current assets of company , and pari passu second charge on all fixed assets of Company except assets exclusively charged to SIDBI.
Canara Bank	-	**186.01**	-	-	2,448.03	-	Secured by pari passu first charge on stock and book debts of the Company, and second charge on all fixed assets(excluding Land & Building).
Bank of Baroda	-	**4,884.11**	-	-	5,493.95	-	Secured by hypothecation,ranking first pari passu charge on current assets of the Company and second charge on all the fixed assets of the Company except assets charged exclusively to SIDBI.
Central Bank of India	-	**1,782.35**	-	-	1,978.09	-	Secured by hypothecation ,ranking first pari passu charge with other banks of raw material,semi finished goods,finished goods ,receivable and inventory etc.and second pari passu charge with other banks on fixed assets of the Company present and future except on asset hypothecated to SIDBI.
IDBI Bank Limited	-	**1,903.86**	-	-	2,041.75	-	Secured by pari passu first charge on entire current assets of the Company.
HDFC Bank Limited	-	**71.10**	-	-	7,413.52	-	Secured by pari passu first charge on current assets of the Company, both present and future and pari passu second charge on all the movable fixed assets of the Company.

Notes forming part of the financial statements

19. Borrowings at amortised cost (Contd...)

Name of the bank	**As at 31.03.2019**			As at 31.03.2018			**Security**
	Long-term	**Short-term**	**Current Maturity (Refer Note 26)**	Long-term	Short-term	Current Maturity (Refer Note 26)	
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	Rs. lakhs	Rs. lakhs	
HDFC Bank Limited	-	**3500.00**		-	-	-	Secured by pari passu first charge on current assets of the Company, both present and future and pari passu second charge on all the movable fixed assets of the Company.
Indian Bank	**-**	**2,165.64**	**-**	-	2,494.19	-	Secured by pari passu first charge on all entire current assets of the Company and pari passu second charge on all fixed assets of the Company.
Buyer's Credit from Banks	**-**	**-**	**-**	-	108.09	-	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.
IDBI	**-**	**-**	**499.97**	499.97	-	999.41	Secured by pari passu first charge on all fixed assets of the company and pari passu second charge over entire current assets of the company.
Kotak Mahindra Bank Ltd	**-**	**-**	**1,327.53**	1,327.53	-	2,633.96	Secured by pari passu first charge on all fixed assets of the company and pari passu second charge over entire current assets of the company except the assets specifically charged to SIDBI.
Total secured borrowing	**-**	**15,348.62**	**3,399.51**	3,399.51	26,942.37	6,763.89	

Note : All cash credits are repayable on demand.

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
20.	**Derivative liabilities - current**		
	(a) Foreign currency forward contracts	**2.02**	5.30
		2.02	5.30
21.	**Provisions**		
	A) Current		
	(a) Provision for employee benefits		
	i) Post retirement pension	**77.38**	86.63
	ii) Compensated absence	**37.57**	647.39
	(b) Provision for estimated losses on onerous contracts	**2,089.55**	3,212.38
	(c) Provision for warranty	**58.58**	98.46
		2,263.08	4,044.86
	B) Non-current		
	(a) Provision for employee benefits		
	i) Post retirement pension	**831.81**	924.91
	ii) Retirement gratuity	**14.38**	422.54
	iii) Compensated absence	**526.72**	-
		1,372.91	1,347.45
22.	**Other non-current liabilities**		
	(a) Pension payable under employee separation scheme	**7.83**	10.05
	(b) Deposit from employees	**15.85**	15.85
		23.68	25.90
23.	**Deferred tax balances**		
	The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
	Deferred tax assets	**6,381.14**	7,141.20
	Deferred tax liabilities	**(6,381.14)**	(7,141.20)
		-	-

For the year ended 31.03.2019

Deferred tax (liabilities)/assets in relation to:

	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in equity	Closing Balance
Property, plant and equipment	(279.18)	13.54	-	-	**(265.64)**
FCTR	(129.56)	-	-	-	**(129.56)**
Deferred revenue on account of retention	(6,732.49)	746.55	-	-	**(5,985.94)**
Provision for doubtful debts	562.88	-	-	-	**562.88**
Provision for onerous contracts	1,122.53	(392.40)	-	-	**730.13**
Provision for warranty	34.40	(13.93)	-	-	**20.47**
Provision for employee benefits	226.22	(29.03)	-	-	**197.19**
Others	61.13	0.03	-	-	**61.16**
Effect of deferment of revenue	(0.01)	0.01	-	-	**-**
Tax losses	5,134.08	(324.77)	-	-	**4,809.31**
	-	-	-	-	**-**

Notes forming part of the financial statements

For the year ended 31.03.2018

	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in equity	Closing Balance
Property, plant and equipment	(301.25)	22.07	-	-	(279.18)
FCTR	(129.56)	-	-	-	(129.56)
Deferred revenue on account of retention	(6,809.51)	77.02	-	-	(6,732.49)
Provision for doubtful debts	557.47	5.41	-	-	562.88
Provision for onerous contracts	886.84	235.69	-	-	1,122.53
Provision for warranty	42.24	(7.84)	-	-	34.40
Provision for employee benefits	245.43	(19.21)	-	-	226.22
Others	60.54	0.59	-	-	61.13
Effect of deferment of revenue	64.48	(64.49)	-	-	(0.01)
Tax losses	3,425.17	1,708.91	-	-	5,134.08
	(1,958.15)	1,958.15	-	-	-

Note : Deferred tax assets has been recognised to the extent of Deferred tax liabilities.

Deferred tax assets/(liabilities) not created in relation to:

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Tax losses	**4,654.43**	3,707.84
Unabsorbed Tax depreciation	**331.20**	164.34
Other Temporary differences	**7,154.12**	5,018.81
	12,139.75	8,890.99

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
24. Current Borrowings		
A. Secured - at amortised cost (For Security details refer Note 19)		
(a) Repayable on demand		
From banks		
i) Working capital demand loans	**3,500.00**	-
ii) Cash credit	**11,848.62**	26,834.28
(b) Other loans		
i) Buyer's credit	**-**	108.09
Total secured borrowings	**15,348.62**	26,942.37

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
25.	**Trade payables**		
(a)	Trade payables : micro and small enterprises (refer note 44.01)	**762.05**	437.71
(b)	Trade payables : others	**23,315.08**	28,964.41
(c)	Trade payable to related party (refer Note 44.02)	**508.84**	544.97
		24,585.97	29,947.09
26.	**Other current financial liabilities**		
(a)	Current maturities of long-term debts (For security details refer Note 19)	**3,399.51**	6,763.89
(b)	Interest accrued but not due on borrowings	**10.95**	2.49
(c)	Interest accrued and due on borrowings	**87.65**	120.80
(d)	Unpaid dividends	**6.88**	9.40
(e)	Creditors for purchase of fixed assets	**45.37**	20.50
		3,550.36	6,917.08
27.	**Other current liabilities**		
(a)	Advance received from customers	**4,204.06**	6,162.96
(b)	Dues to customers under contracts in progress	**7,977.56**	12,177.04
(c)	Pension payable under employee separation scheme	**2.13**	2.91
(d)	Employee recoveries and employer's contributions	**349.19**	747.58
(e)	Statutory dues	**151.30**	347.08
(f)	Other credit balances	**24.33**	27.29
		12,708.57	19,464.86

There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013.

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
28.	**Revenue from operations**		
(a)	Revenue from project business	**11,705.47**	23,006.29
(b)	Sale of products	**7,121.15**	10,839.69
(c)	Sale of services	**4,879.20**	1,549.14
	Revenue from operations (refer Note 45)	**23,705.82**	35,395.12
29.	**Other income**		
(a)	Interest income		
	i) On income tax refunds	**13.68**	-
	ii) Others	**0.15**	0.18
(b)	Dividend income		
	i) From other non-current investments	**0.33**	0.28
(c)	Guarantee fee from subsidiaries	**-**	29.32
(d)	Net gain on sale of fixed assets	**-**	0.65
(e)	Gain on foreign currency transactions (net)	**-**	112.14
(f)	Liabilities/provision no longer required written back	**659.42**	321.55
(g)	Miscellaneous income	**60.32**	71.61
	Total other income	**733.90**	535.73

Notes forming part of the financial statements

		For the year ended 31.03.2019 Rs. lakhs	For the year ended 31.03.2018 Rs. lakhs
30.	**Cost of materials consumed**		
	Raw materials consumed		
	(a) Opening stock	**2,109.94**	3,596.88
	(b) Add: Purchases	**7,535.51**	18,854.64
		9,645.45	22,451.52
	(c) Less: Closing stock	**1,786.86**	2,109.94
	Total raw materials consumed	**7,858.59**	20,341.58
31.	**Changes in inventories of finished products, work in progress and contracts in progress**		
	Inventories and contract in progress at the beginning of the year		
	(a) Finished products	**1,343.34**	1,957.78
	(b) Work-in-progress	**2,172.02**	2,458.23
	(c) Contracts in progress	**2,647.23**	4,683.33
		6,162.59	9,099.34
	Inventories and contract in progress at the end of the year		
	(a) Finished products	**1,274.65**	1,343.34
	(b) Work-in-progress	**1,230.51**	2,172.02
	(c) Contracts in progress	**2,055.40**	2,647.23
		4,560.56	6,162.59
	Net (increase)/decrease	**1,602.03**	2,936.75
32.	**Employee benefits expense**		
	(a) Salaries and wages, including bonus.	**3,439.00**	4,216.29
	(b) Company's contribution to provident and other funds	**543.37**	604.48
	(c) Workmen and staff welfare expenses	**444.31**	500.01
	Total employee benefits expense	**4,426.68**	5,320.78
33.	**Finance costs**		
	(a) Interest expense *	**5,636.85**	4,337.53
	(b) Bank charges	**450.00**	336.63
	Total finance costs	**6,086.85**	4,674.16

* Interest expense includes Rs 8.12 lakhs (March 31, 2018 : Rs. Nil) interest on debt portion of 12.5% Non convertible redeemable preference shares and Rs. 781.11 lakhs (March 31, 2018 : Rs. Nil) paid to Tata Steel Limited for interest on Inter Corporate Deposit (refer Note 18 & 41.01)

34.	**Depreciation and amortisation expense**		
	(a) Depreciation and amortisation on tangible assets	**326.96**	345.38
	(b) Depreciation and amortisation on Intangible assets	**12.18**	21.37
	Total depreciation and amortisation expense	**339.14**	366.75

Notes forming part of the financial statements

		For the year ended 31.03.2019 Rs. lakhs	For the year ended 31.03.2018 Rs. lakhs
35.	**Other expenses**		
(a)	Consumption of stores, spare parts and loose tools	**251.23**	440.62
(b)	Repairs to buildings	**388.33**	483.35
(c)	Repairs to plant and machinery	**107.08**	229.14
(d)	Repairs to others	**8.42**	23.98
(e)	Power and fuel	**332.93**	369.97
(f)	Rent	**230.18**	303.23
(g)	Rates, taxes and licenses	**583.58**	108.14
(h)	Taxes and duties (net)		
	i) Sales tax	**718.87**	37.71
	ii) Excise duty	**-**	(273.16)
	iii) Service tax	**551.83**	123.51
	iv) GST	**125.61**	537.23
(i)	Insurance charges	**113.06**	224.48
(j)	Freight and handling charges	**170.41**	821.50
(k)	Service charges (collection and order procurement)	**2.01**	9.44
(l)	Travelling, conveyance and car running expenses	**254.41**	410.11
(m)	Legal and professional fees	**694.50**	1,029.65
(n)	Deputation charges	**1,364.10**	178.68
(o)	Provision for doubtful debts and advances [net of write back Rs. 1,037.09 lakhs (March 31, 2018 : Rs. 341.07 lakhs)]	**5,723.63**	6,767.95
(p)	Provision for estimated losses on onerous contracts	**-**	649.84
(q)	Provision for warranty expenses	**(39.88)**	(23.62)
(r)	Other general expenses		
	i) Loss on foreign currency transactions (net)	**795.31**	-
	ii) Net (gain)/loss on derivatives	**93.11**	200.10
	iii) Directors' fee	**37.50**	29.50
	iv) Liquidated damages	**9.66**	-
	v) Loss on sale of tangible fixed assets	**0.06**	-
	vi) Telephone expenses	**21.83**	60.60
	vii) Auditors remuneration and out-of-pocket expenses		
	As Auditors - Statutory audit	**68.10**	72.45
	For Taxation matters	**5.00**	4.50
	For Other Services	**1.60**	5.00
	Auditors' out-of-pocket expenses	**2.55**	5.27
	viii) Others	**62.58**	101.78
	Total other expenses	**12,677.60**	12,930.95

Notes forming part of the financial statements

36. Income tax recognised in profit and loss

	For the year ended 31.03.2019 Rs. lakhs	For the year ended 31.03.2018 Rs. lakhs
Current tax		
In respect of the current year	–	–
In respect of prior years	–	–
	–	–
Deferred tax		
In respect of the current year	–	(1,958.15)
	–	(1,958.15)

Note : In view of losses during the year provision for income tax has not been created and hence reconciliation statement is not being given.

37. Segment information

37.01 Products and services from which reportable segment derives their revenues

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Products & services
- Projects & services.

The Company's Chief Operating Decision Maker is the Managing Director.

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue 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.

The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

Notes forming part of the financial statements

37.02 Segment revenue and results

	Segment revenue		Segment profit	
	Year ended 31.03.2019	Year ended 31.03.2018	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Products and Services	**13,014.74**	18,785.82	**339.26**	692.26
Projects and Services	**13,808.04**	24,865.49	**(7,895.26)**	(15,326.24)
	26,822.78	43,651.31	**(7,556.00)**	(14,633.98)
Inter-segment revenue	**3,116.96**	8,256.19	**-**	-
Total	**23,705.82**	35,395.12	**(7,556.00)**	(14,633.98)
Unallocated Other income			**683.56**	164.78
Unallocated corporate costs			**(1,689.65)**	(452.07)
Interest costs			**(5,636.85)**	(4,337.53)
Exceptional Items			**3,642.04**	2,703.00
Profit / (Loss) before tax			**(10,556.90)**	(16,555.80)

Segment profit represents the profit and loss before tax earned by each segment without allocation of corporate costs, other income, as well as interest costs. This is the measure reported to the executive management committee for the purposes of resource allocation and assessment of segment performance.

37.03 Segment assets and liabilities

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Segment assets		
Products and Services	**17,379.06**	18,620.80
Projects and Services	**22,977.83**	31,017.22
Total segment assets	**40,356.89**	49,638.02
Unallocated	**16,820.58**	25,525.48
Total assets	**57,177.47**	75,163.50
Segment liabilities		
Products and Services	**9,629.81**	11,954.56
Projects and Services	**30,407.90**	41,074.51
Total segment liabilities	**40,037.71**	53,029.07
Unallocated	**23,850.49**	41,110.88
Total liabilities	**63,888.20**	94,139.95

Notes forming part of the financial statements

37.04 Other segment information

	Depreciation and amortisation		Addition to fixed assets	
	Year ended 31.03.2019	Year ended 31.03.2018	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Products and Services	**258.51**	266.77	**12.11**	22.96
Projects and Services	**37.91**	42.54	**3.61**	24.33
Unallocated	**42.72**	57.44	**29.06**	13.56
	339.14	366.75	**44.78**	60.85

37.05 Revenue from major products and services

The following is an analysis of the Company's revenue from continuing operations from its reportable segments.

			Year ended 31.03.2019	Year ended 31.03.2018
A)	**Products and services**		**Rs. lakhs**	Rs. lakhs
	(i)	Idler rollers and components	**710.58**	2,262.61
	(ii)	Sectional and mine conveyors	**1,874.60**	3,678.77
	(iii)	Vibrating screens and components	**770.12**	1,675.14
	(iv)	Crushers and components	**642.28**	1,282.36
	(v)	Miscellaneous	**5,900.20**	1,630.75
B)	**Projects and services**			
	i)	Construction contracts and related services	**13,808.04**	24,865.49
			23,705.82	35,395.12

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

37.06 Information about major customers

Included in revenue arising from direct sales of goods and services of Rs **23,705.82** lakhs (March 31, 2018: Rs 35,395.12 lakhs) are revenues of approximately Rs. **18,602.03** lakhs (March 31, 2018: Rs 22,402.61 lakhs) partaining to sales to the company's top three (March 31, 2018 : three) customers. No other single customer contributed 10% or more of the Company's revenue in year ended March 31, 2019 and March 31, 2018.

38. Earnings per share

	Year ended 31.03.2019	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs
Basic & diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year attributable to owners of the Company	**(10,556.90)**	(14,597.65)
Weighted average number of equity shares for the purposes of basic earnings per share	**11,004,412**	11,004,412
Basic & diluted earnings per share	**(95.93)**	(132.65)

Notes forming part of the financial statements

39. Employee Benefit plans

39.01 Defined contribution plans

The Company provide Provident Fund facility to all employees. The Company provides superannuation benefits to selected employees. The assets of the plans are held separately from those of the Company in funds under the control of the trustees in case of trust or of the employees provident fund organisation. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis-a-vis interest rate declared by the Employees' Provident Fund Organisation. The liability as on the balance sheet date is ascertained by an independent actuarial valuation.

The Company has recognised an amount of **Rs. 423.93** lakhs as expenses for the year ended March 31, 2019 (For the year ended March 31, 2018: Rs. 463.93 lakhs) towards contribution to the following defined contribution plans.

	Year ended 31.03.2019	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs
Provident fund	**164.14**	182.54
Employees pension scheme	**81.09**	86.63
Superannuation fund	**178.7**	194.76
	423.93	463.93

39.02 Defined benefit plans

The Company provides Gratuity benefit to all employees. The Company provides post retirement pension for retired whole-time directors. The assets of the gratuity plans are held separately from those of the Company in funds under the control of the trustees of the independent trusts or with the life insurance companies. The board of trustees of the gratuity fund composed of an equal number of representatives from both employees and employers. The board of the Fund is required by law and by the trust deed to act in the interest of the Fund and of all relevant stakeholders in the scheme. The board of trustee of the fund and management of life insurance company is responsible for the investment policy with regard to the assets of the Fund. Post retirement pension plan is not funded.

Under the gratuity plan, the employees with minimum five years of continuous service are entitled to lumpsum payment at the time of separation calculated based on the last drawn salary and number of years of service rendered with the Company. Under the post retirement pension, the Company pays monthly pension to retired whole-time directors as decided by the board of directors.

These plans expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has relatively balanced mix of investments in government securities and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of defined benefit obligation were carried out as at March 31, 2019 by an independent actuary, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

During the year ended March 31, 2019 and March 31, 2018 there was no amendment, curtailments and settlements in the gratuity plan and post retirement pension plans.

Notes forming part of the financial statements

Gratuity Plan

			Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Movement in the fair value of the plan assets				
a)	Opening fair value of plan assets		**1,287.89**	1,236.45
b)	Acquisition adjustment		**-**	-
c)	Interest income on plan assets		**102.39**	85.40
d)	Employer's contribution		**400.00**	155.40
e)	Return on plan assets greater / (lesser) than discount rate		**(41.98)**	(1.28)
f)	Benefits paid		**(245.20)**	(188.08)
g)	Closing fair value of plan assets		**1,503.10**	1,287.89
Movement in the present value of the defined benefit obligation				
a)	Opening defined benefit obligation		**1,710.43**	1,655.82
b)	Current service cost		**104.35**	116.63
c)	Interest cost		**117.48**	109.32
d)	Acquisitions (credit) / cost		**-**	-
e)	Remeasurement (gain) / loss			
	i)	Actuarial (gains) / loss arising from changes in financial assumptions	**-**	(54.54)
	ii)	Actuarial (gains) / loss arising from experience adjustments	**(126.76)**	101.96
	iii)	Actuarial (gains) / loss arising from demographic assumptions	**-**	(30.68)
f)	Benefits paid		**(288.02)**	(188.08)
g)	Closing defined benefit obligation		**1,517.48**	1,710.43
Components of defined benefit costs recognised:				
I.	**Components of defined benefit costs recognised in profit and loss**			
	a)	Service Costs:		
		– Current service cost	**104.35**	116.63
		– Past service cost and (gain)/loss from settlements	**15.09**	23.92
		Subtotal	**119.44**	140.55
II.	**Components of defined benefit costs recognised in other comprehensive income**			
	a)	Remeasurement on the net defined benefit liability:		
		- Return on plan assets (excluding amounts included in net interest expense)	**41.98**	1.28
		- Actuarial (gains)/loss arising from changes in financial assumptions	**-**	(85.21)
		- Actuarial (gains)/loss arising from experience adjustments	**(126.76)**	101.96
		Subtotal	**(84.78)**	18.03
III.	Total defined benefit cost recognised		**34.66**	158.58

Notes forming part of the financial statements

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Amount included in the standalone balance sheet arising from defined benefit plan obligation		
a) Present value of funded defined benefit obligation	**(1,517.48)**	(1,710.43)
b) Fair value of plan assets	**1,503.10**	1,287.89
c) Funded status	**(14.38)**	(422.54)
d) Net liability arising from defined benefit obligation	**(14.38)**	(422.54)
Fair value of plan assets		
a) Cash and cash equivalents	**337.27**	173.84
b) Debt instruments categorised by issuer's credit rating		
– Government securities (Central and State)	**149.79**	275.31
– AAA	**298.93**	223.97
– A	**–**	35.10
– AA+	**51.56**	–
– non rated	**70.25**	66.56
Subtotal	**570.53**	600.94
c) Equity Investments		
– Units of Mutual Funds - Equity Funds	**169.32**	87.13
Subtotal	**169.32**	87.13
d) Special deposit schemes	**425.98**	425.98
	1,503.10	1,287.89
Expected employer contribution for the period ending March 31, 2020 Rs 14.38 lakhs		
Weighted average duration of defined benefit obligation	**8 years**	9 years
Principal assumption used for the purpose of the actuarial valuation		
a) Discount rate	**7.50%**	7.50%
b) Expected rate(s) of salary income	**8.00%**	8.00%

The fair value of the above equity and securities issued by government are determined based on quoted market prices in active markets. The fair value of other debt instruments are also determined based on quoted price in active market. The fair value of balance in special deposit scheme is determined based on its carrying value. The fair value of balance with Life Insurance Corporation is determined based on the funds statement received from the company.

The actual return on plan assets was Rs. **41.98** lakhs (for the year ended March 31, 2018: Rs. 1.28 Lakhs).

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. **93.56** lakhs (increase by Rs. **108.27** lakhs) [as at March 31, 2018: decrease by Rs. 98.95 lakhs (increase by Rs. 114.16 lakhs)]
- If the expected salary increase growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. **106.74** lakhs (decrease by Rs. **94.03** lakhs) [as at March 31, 2018: increase by Rs. 112.83 lakhs (decrease by Rs. 99.66 lakhs)]

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is likely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

Notes forming part of the financial statements

Post retirement pension plan

	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Movement in the present value of the defined benefit obligation		
a) Opening defined benefit obligation	**1,011.53**	703.34
b) Service cost	**–**	351.32
c) Interest cost	**72.56**	46.34
d) Remeasurement (gain)/loss		
i) Actuarial (gain)/loss arising from changes in financial assumptions	**–**	(27.45)
ii) Actuarial (gain)/loss arising from experience adjustments	**(86.89)**	20.58
e) Benefits paid	**(88.01)**	(82.60)
f) Closing defined benefit obligation	**909.19**	1,011.53
Current	**77.38**	86.63
Non current	**831.81**	924.90
Components of defined benefit costs recognised:		
I. Components of defined benefit costs recognised in profit and loss		
a) Service Costs:		
– Current service cost	**–**	–
– Past service cost and (gain)/loss from settlements	**–**	351.32
b) Net interest expenses	**72.56**	46.34
Subtotal	**72.56**	397.66
II. Components of defined benefit costs recognised in other comprehensive income		
a) Remeasurement on the net defined benefit liability:		
– Actuarial (gain)/loss arising from changes in financial assumptions	**–**	(27.45)
– Actuarial (gain)/loss arising from experience adjustments	**(86.89)**	20.58
b) Adjustments for restrictions on the defined benefit asset		
Subtotal	**(86.89)**	(6.87)
III. Total defined benefit cost recognised	**(14.33)**	390.79
Weighted average duration of defined benefit obligation	**8 years**	6 years
Principal assumption used for the purpose of the actuarial valuation		
a) Discount rate	**7.50%**	7.50%
b) Expected rate(s) Pension increase	**3.00%**	3.00%

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected pension increase and mortality. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. **66.12** lakhs (increase by Rs. **75.88** lakhs) [as at March 31, 2018: decrease by Rs. 71.54 lakhs (increase by Rs. 81.75 lakhs)]
- If the expected pension increase growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. **78.63** lakhs (decrease by Rs. **69.44** lakhs) [as at March 31, 2018: increase by Rs. 84.92 lakhs (decrease by Rs. 75.30 lakhs)]

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is likely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

Notes forming part of the financial statements

40. Financial instruments

40.01 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes 17 and 24 offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long-term borrowings, short-term borrowings, less cash and short-term deposits.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows :

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Debt		
Long-term debt	**(2,370.77)**	(3,399.51)
Current borrowings	**(15,348.62)**	(26,942.37)
Current maturity of long-term debts	**(3,399.51)**	(6,763.89)
Cash and bank balances	**1,507.80**	618.49
Net debt	**(19,611.10)**	(36,487.28)
Total equity	**6,710.73**	18,976.45
Equity share capital	**(1,100.44)**	(1,100.44)
Other equity	**7,811.17**	20,076.89
Net debt to equity ratio	**(2.92)**	(1.92)

40.02 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions. The Company is exposed to market risk(including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The corporate treasury management reports on quarterly basis to the board of directors that monitors risks and policies implemented to mitigate risk exposures.

40.03 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

Notes forming part of the financial statements

40.04 Foreign currency risk management

The Company enter into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Monetary liabilities		Monetary assets	
	As at 31.03.2019	As at 31.03.2018	**As at 31.03.2019**	As at 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
US Dollar in India	**–**	1,306.31	**10.10**	480.42
Euro in India	**8.65**	91.60	**1.69**	–
GBP in India	**2.31**	2.36	**–**	8.23
SGD in India	**–**	–	**–**	440.78
Of the above foreign currency exposures, the following exposure are not hedged				
US Dollar in India	**–**	261.05	**10.10**	480.42
Euro in India	**8.65**	7.58	**1.69**	–
GBP in India	**2.31**	–	**–**	8.23
SGD in India	**–**	–	**–**	440.78

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in exchange rate between the pairs of currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. The sensitivity analysis includes trade payables, receivables, external loans as well as loans to foreign operations within the Group where the denomination of the monetary item is in a currency other than the functional currency of the lender or the borrower. The sensitivity analysis has been undertaken on net unhedged exposure in foreign currency.

		As at 31.03.2019	As at 31.03.2018
		Rs. lakhs	Rs. lakhs
USD Vs INR	Impact on profit and loss for the year	**1.01**	21.94
	Impact on total equity as at the end of the reporting period	**0.66**	14.35
Euro Vs INR	Impact on profit and loss for the year	**(0.70)**	(0.76)
	Impact on total equity as at the end of the reporting period	**(0.46)**	(0.50)
GBP Vs INR	Impact on profit and loss for the year	**(0.23)**	0.82
	Impact on total equity as at the end of the reporting period	**(0.15)**	0.54
SGD Vs INR	Impact on profit and loss for the year	**–**	44.08
	Impact on total equity as at the end of the reporting period	**–**	28.82

Notes forming part of the financial statements

40.05 Interest rate risk management

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

40.06 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

40.07 Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Rs. lakhs

	Carrying amount	Total	Less than 1 month	1 - 3 months	3 months to 1 year	1 to 5 years	> 5 years
As at 31.03.2019							
Borrowings (refer Note below)	21,118.90	44,113.78	12,140.73	1,335.53	5,637.52	-	25,000.00
Derivative liabilities	2.02	2.02	-	2.02	-	-	-
Trade payables	24,585.97	24,585.97	17,416.74	7,169.23	-	-	-
Other financial liabilities	150.85	150.85	150.85	-	-	-	-
	45,857.74	**68,852.62**	**29,708.32**	**8,506.78**	**5,637.52**	**-**	**25,000.00**
As at 31.03.2018							
Borrowings (Refer note below)	37,105.77	38,364.19	27,360.75	1,802.38	5,577.76	3,623.30	-
Derivative liabilities	5.30	5.30	-	0.15	5.15	-	-
Trade payables	29,947.09	29,947.09	20,367.08	7,104.35	118.03	2,357.63	-
Other financial liabilities	153.19	153.19	153.19	-	-	-	-
	67,211.35	68,469.77	47,881.02	8,906.88	5,700.94	5,980.93	-

Note : The maturity pattern of the borrowings incorporates interest payable at the respective interest rates up to the period of maturity of loan.

Notes forming part of the financial statements

40.08 Financing facilities

The following table details the Company's borrowing facilities that are available for future operating activities and to settle capital commitments:

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Secured bank overdraft / working capital demand loan facility reviewed annually and payable at call		
- amount used (refer Note 24)	**15,348.62**	26,942.37
- amount unused	**6,351.38**	1,057.63
	21,700.00	28,000.00
Secured bill acceptance facility from bank reviewed annually and payable at call		
- amount used	**–**	–
- amount unused	**–**	1,000.00
	–	1,000.00

40.09 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.15 to 2.17.

Financial assets and liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	As at March 31, 2019				
	Fair value through profit or loss	**Fair value through OCI**	**Amortised cost**	**Total carrying value**	**Total fair value**
Financial assets:					
Investment in subsidiaries and joint venture	-	-	9,181.37	9,181.37	9,181.37
Other investment in quoted equity instrument	-	57.91	-	57.91	57.91
Trade receivables	-	-	27,919.36	27,919.36	27,919.36
Cash and cash equivalents	-	-	1,507.80	1,507.80	1,507.80
Other bank balances	-	-	1,022.77	1,022.77	1,022.77
Other financial assets	-	-	623.85	623.85	623.85
Derivative assets	-	-	-	-	-
Total	**-**	**57.91**	**40,255.15**	**40,313.06**	**40,313.06**
Financial liabilities					
Trade payable	-	-	24,585.97	24,585.97	24,585.97
Long term borrowings	-	-	2,370.77	2,370.77	2,370.77
Short Term borrowings	-	-	15,348.62	15,348.62	15,348.62
Derivative financial liabilities	2.02	-	-	2.02	2.02
Other financial liabilities	-	-	3,558.48	3,558.48	3,558.48
Total	**2.02**	**-**	**45,863.84**	**45,865.86**	**45,865.86**

Notes forming part of the financial statements

	As at March 31, 2018				
	Fair value through profit or loss	**Fair value through OCI**	**Amortised cost**	**Total carrying value**	**Total fair value**
Financial assets:					
Investment in subsidiaries and joint venture	-	-	18,126.82	18,126.82	18,126.82
Other investment in quoted equity instrument	-	47.28	-	47.28	47.28
Trade receivables	-	-	34,817.36	34,817.36	34,817.36
Cash and cash equivalents	-	-	618.49	618.49	618.49
Other bank balances	-	-	533.67	533.67	533.67
Other financial assets	-	-	1,470.25	1,470.25	1,470.25
Derivative assets	96.39	-	-	96.39	96.39
Total	**96.39**	**47.28**	**55,566.59**	**55,710.26**	**55,710.26**
Financial liabilities					
Trade payable	-	-	29,947.09	29,947.09	29,947.09
Long term borrowings	-	-	3,399.51	3,399.51	3,399.51
Short Term borrowings	-	-	26,942.37	26,942.37	26,942.37
Derivative financial liabilities	5.30	-	-	5.30	5.30
Other financial liabilities	-	-	6,917.08	6,917.08	6,917.08
Total	**5.30**	**-**	**67,206.05**	**67,211.35**	**67,211.35**

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

• Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

• Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises the financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Rs lakhs

	As at March 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Derivative financial assets	-	-	-	-
Other investments classified as fair value through OCI - Non current	57.91	-	-	57.91
	57.91	-	-	57.91
Financial liabilities:				
Derivative financial liabilities	-	2.02	-	2.02
	-	2.02	-	2.02
	57.91	(2.02)	-	55.89

Notes forming part of the financial statements

Rs lakhs

	As at March 31, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative financial assets	-	96.39	-	96.39
Other investments classified as fair value through OCI - Non current	47.28	-	-	47.28
	47.28	96.39	-	143.67
Financial liabilities:				
Derivative financial liabilities	-	5.30	-	5.30
	-	5.30	-	5.30
	47.28	91.09	-	138.37

41. Related party transactions

List of related parties and relationship

Name of the related party	Nature of relationship
TRF Singapore Pte Ltd. TRF Holdings Pte Limited	Subsidiary Companies the ownership of which is held directly by the Company
Dutch Lanka Trailer Manufacturers Limited Dutch Lanka Engineering Pvt Ltd Hewitt Robins International Holding Ltd. Hewitt Robins International Ltd.	Subsidiary Companies the ownership of which is held through subsidiary (ies)
Dutch Lanka Trailers LLC Oman	Subsidiary Companies the ownership of which is held through subsidiary (ies) till 05.12.2018.
YORK Transport Equipment (Asia) Pte Ltd. YORK Transport Equipment Pty Ltd. YORK Sales (Thailand) Co. Ltd YTE Transport Equipment (SA) (Pty) Limited 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.	Subsidiary Companies the ownership of which is held through subsidiary (ies) till 30.04.2018.
Tata International DLT Pvt Ltd.	Jointly controlled entity the ownership of which is held through subsidiary.
Tata Steel Limited	Promoter Company holding more than 20%

Notes forming part of the financial statements

Name of the related party	Nature of relationship
Key Managerial Persons	
Mr Sumit Shubhadarshan	Managing Director w.e.f 15.09.2018
Mr Sanjay Rajoria	Managing Director till 14.09.2018
Mr Rajesh Ranjan Jha	Non Executive Directors
Mr Ranaveer Sinha	Non Executive Directors
Mr Dipankar Chatterji	Non Executive Directors
Mr Sabyasachi Hajara	Non Executive Directors
Ms Neera Saggi	Non Executive Directors
Mr Ranganath Raghupathy Rao	Non Executive Directors
Mr Vinayak Kashinath Deshpande	Non Executive Directors
Mr K.S.Mathai Mathew	Chief Financial Officer till 25.10.2018
Mr Shaktishree Das	Chief Financial Officer w.e.f. 16.01.2019
Mr Tarun Kumar Srivastava	Company Secretary till 15.05.2018
Mr Pankaj Kumar Choubey	Company Secretary from 27.07.2018 to 10.01.2019
Mr Subhashish Datta	Company Secretary w.e.f 11.01.2019

41.01 Trading transactions

	Sale of Goods and Services		Purchase of Goods and Services	
	year ended 31.03.2019	year ended 31.03.2018	**year ended 31.03.2019**	year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Goods				
Promoter Company : Tata Steel Limited	**2,366.80**	5,861.17	**265.53**	1,563.78
Various Services	**-**	-	**-**	2.08
Promoter Company : Tata Steel Limited				
Management Service-Others	**-**	-	**1,463.94**	200.66
Other Services	**4,509.34**	-	**494.62**	469.12

	For the year ended 31.03.2019	For the year ended 31.03.2018
Other transactions with Promoter Company	**Rs. lakhs**	Rs. lakhs
Inter Corporate Deposit - Received	**24,200.00**	-
Inter Corporate Deposit - Repaid	**24,200.00**	-
Interest on Inter Corporate Deposit- paid	**781.11**	-
12.5% Non Convertible Redeemable Preference Share Issued (refer Note no - 44.04)	**25,000.00**	-
Other transactions with Subsidiary		
Subscription of equity shares (refer Note no - 44.06)	**978.21**	-
Proceeds from redemption of Investment in equity shares (refer Note no -44.05)	**13,565.68**	-

Notes forming part of the financial statements

	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Expenses / Overhead charged (including rent)		
YORK Transport Equipment (Asia) Pte Ltd	**-**	7.15
Dutch Lanka Trailer Manufacturers Limited	**3.87**	6.49
Hewitt Robins International Ltd	**-**	-
TRF Singapore Pte Ltd	**4.55**	12.38
Commission income on corporate guarantee given to subsidiaries		
York Transport Equipment (Asia) Pte Ltd	**-**	29.32
Compensation of key management personnel		
Remuneration to key managerial personnel		
Short-term benefits	**42.36**	111.87
Post-employment benefits	**6.32**	13.62
	48.68	125.49
Management Service Provided by Promoter Company for Key Managerial Person	**108.45**	8.42
Sitting fees to non-executive Directors		
Mr Ranaveer Sinha	**11.25**	5.75
Mr Dipankar Chatterji	**8.25**	8.25
Mr Sabyasachi Hajara	**8.00**	7.00
Ms Neera Saggi	**9.50**	8.50
Mr Vinayak Kashinath Deshpande	**0.50**	-

41.02 Outstanding balances at the end of the reporting period

		Amounts owed by related parties		**Amounts owed to related parties**	
		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs	**As at 31.03.2019 Rs. lakhs**	As at 31.03.2018 Rs. lakhs
i)	Receivables / payables				
	Promoter Company : Tata Steel Limited	**2,175.41**	1,430.17	**506.76**	542.89
	YORK Transport Equipment (Asia) Pte Ltd	**-**	7.48	**-**	-
	Dutch Lanka Trailer Manufacturers Limited	**142.69**	138.39	**-**	-
	TRF Singapore Pte Ltd	**3.70**	921.13	**-**	-
	Hewitt Robins International Ltd	**0.20**	0.20	**2.08**	2.08
(ii)	12.5% Non Convertible redeemable preference share [payable to TSL (including interest)]	**-**	-	**2,378.89**	
(iii)	Claims against the company not acknowledged as debt				
	Tata Steel Limited (Net of advances)	**737.95**	3,089.92	**-**	-

Notes forming part of the financial statements

42. Commitments

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
a) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**21.24**	22.15
b) Other commitments		
Estimated amount of letter of credit issued in favour of vendors for supply of materials and not provided for	**241.01**	–

43. Contingent liabilities

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
a)	Sales tax matters in dispute relating to issues of applicability and classification	**4,037.32**	2,607.26
	In respect of the above sales tax matters in dispute, the Company has deposited Rs. **290.81** lakhs (31.03.2018: Rs.124.89 lakhs) against various orders, pending disposal of the appeals. This amount is included under Note 8 - Other non-current assets.		
b)	Excise duty and service tax matters in dispute relating to applicability and classification	**4,094.86**	4,631.97
	In respect of the above excise and service tax matters in dispute, the Company has deposited Rs. **173.90** lakhs (31.03.2018: Rs 172.23 lakhs) against various orders, pending disposal of the appeals. This amount is included under Note 8 - Other non-current assets.		
c)	Income tax matters in dispute	**3,567.38**	4,460.86
e)	Claims against the Company not acknowledged as debt (Primarily of liquidated damages and other claims made by customers).	**3,657.28**	6,512.34
f)	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.

Also refer Note 44.11 regarding management's assesment on certain matters relating to Provident Fund.

Notes forming part of the financial statements

44. Additional Information to the Financial Statements pursuant to Companies Act, 2013 requirements :

44.01 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
a)	Principal amount remaining unpaid to the suppliers as at the end of the accounting year	**762.05**	437.71
b)	Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	**904.60**	96.77
c)	Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	**-**	-
d)	Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	**275.90**	39.04
e)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	**1,116.17**	118.32

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

44.02 The Company has incurred loss after tax of Rs **10,556.90** lakhs during the year ended March 31, 2019 (March 31, 2018 Rs 14,597.65 lakhs) and accumulated losses as on that date amounting to Rs **45,428.99** lakhs (March 31, 2018 Rs 35,043.77 lakhs), has eroded the net worth of the company. The company expects to generate cash flow from improvements in operations, increased business from the promoter entity, increased efficiencies from the project activities (refer Note 44.03), proceeds from restructuring of its subsidiaries, renewal of the facilities from banks as and when they fall due etc., which will be sufficient to meet future obligation of the company. Accordingly, these financial statements have been prepared on a going concern basis.

44.03 Revenue from construction contracts are recognized on percentage completion method. The estimated cost to complete the contracts is arrived at based on technical data, forecast, assumptions and contingencies and are based on the current market price or firm commitments, as applicable. Such estimates are subject to variations. Variations in the current year are mainly due to new purchase orders raised by the Company on the vendors because they did not agree to perform the work at the originally agreed rate both for materials and labour and in some of the cases old vendors were replaced with new vendors with different commercial terms and condition to expedite the completion of the project.

44.04 During the year the company has issued 12.5% Non convertible redeemable preference shares ('NCRPS') of Rs 25,000 lakhs, divided in to 25,00,00,000 preference shares of Rs 10 each to Tata Steel Limited, on private placement basis. NCRPS are in nature of compound financial instrument, accordingly the liability portion amounting to Rs. 2,370.77 Lakhs has been disclosed under long term borrowings (refer Note 17) and residual portion of Rs. 22,629.23 lakhs has been disclosed under other equity (refer Note 16).

44.05 During the financial year 2019 the company has sold York Transport Equipment Pte Limited, a step down subsidiary along with its subsidiaries, at total consideration of Rs 29,087.69 lakhs. Consequent to such sale TRF Singapore Pte Limited has exercised a scheme of capital reduction to the tune of Rs 12,185.28 lakhs on August 31, 2018 and Rs 1,380.40 lakhs on February 28, 2019 which has resulted in reduction in value of investment by Rs 9,790.46 lakhs and foreign currency exchange gain of Rs 3,775.22 lakhs which has been disclosed as exceptional item in those results.

44.06 During the year Interest on loans and Corporate guarantee fees receivable from subsidiary has been converted in to Investment in TRF Singapore Pte Limited which has resulted in increase in value of Investment to Subsidiaries by Rs 978.21 lakhs (refer Note 5).

44.07 The Company has submitted application to RBI in 2013 for capitalisation of corporate guarantee fee (SGD 1,51,230) and interest on loan (USD 7,19,461 and SGD 7,36,637) receivable from TRF Singapore Pte Limited. The same has been approved by RBI vide letter dated 11th September, 2018 subject to compounding for non-compliance with Regulation 15(ii) for Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004. The Company has filed a

Notes forming part of the financial statements

compounding application on 12th October, 2018 however RBI has advised to resubmit the application after winding up of one of its step down subsidiary.

44.08 During the year, the company has sold Dutch Lanka Trailers LLC, Oman, a step down subsidiary at book value resulting in a loss of Rs 63.09 Lakhs. This does not have any impact on the standalone financial results.

44.09 In the current year, based on assessment management has considered provision for impairment of Rs 133.18 Lakhs on investment in TRF Singapore PTE Ltd.

44.10 Remuneration to Managing Director amounting to Rs 65.63 lakhs (refer Note 41.01) has been approved by the Board of Directors and is subject to approval from shareholders.

44.11 The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on the initial assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have significant impact and accordingly, no provision has been made in these Financial Statements at this stage.

45. Revenue from Contracts with Customers

45.01 Disaggregation of revenue from contracts with customers.

Particulars	**Products and Services**	**Projects and Services**
	Rs. lakhs	**Rs. lakhs**
Segment Revenue	**13,014.74**	**13,808.04**
Inter Segment revenue	**(3,116.96)**	**-**
Revenue from external customer	**9,897.78**	**13,808.04**
Timining of Revenue Recognition		
At a point in time	**5,776.00**	**1,345.16**
Over time	**4121.78**	**12,462.88**
	9,897.78	**13,808.04**

45.02 Assets and liabilities related to contract with customers

	Notes	**As at 31.03.2019**	As at 01.04.2018
Contract Assets		**Rs. lakhs**	Rs. lakhs
Trade receivables (net)	10	**27,919.36**	34,817.36
Work in progress	09	**1,230.51**	2,172.02
Contract work in progress	09	**2,055.40**	2,647.23
Finished goods Inventory	09	**1,274.65**	1,343.34
Unbilled Revenue	12	**594.86**	139.03
Total Contract assets		**33,074.78**	41,118.98
Contract Liabilities			
Advance received from customers	27	**4,204.06**	6,162.96
Dues to customers under contracts in progress	27	**7,977.56**	12,177.04
		12,181.62	18,340.00

45.03 Revenue recognised in relation to contract liabilities

	Rs. lakhs	
Revenue recognised that was included in the contract liability balance at the beginning of the period	4,199.48	-
	4,199.48	-

Notes forming part of the financial statements

45.04 Unserved long-term contracts **Rs. lakhs**

a) Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied as at March 31, 2019 **28,100.00**

b) The management expects that 85% of the transaction price allocated to the unsatisfied to contracts as on March 31, 2019 will be recognised as revenue during the next reporting period (Rs 23,885 lakhs). The remaining 15%will be recognised in the financial year 2020-21.

46. Unsatisfied long-term contracts

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

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
(a)	Opening balance at the beginning of the year	**98.46**	122.08
(b)	Provisions recognised during the year	**-**	2.83
(c)	Utilised for meeting the warranty costs	**(23.18)**	(26.45)
(d)	Unutilised provisions reversed during the year	**16.70**	-
(e)	Closing balance at the end of the year (refer Note 21)	**58.58**	98.46

47. Operating lease

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, warehouse etc). The leasing arrangements which normally have a tenure of eleven months to three years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. Lease rentals aggregating to Rs **230.18** lakhs are charged as rent to the statement of profit and loss (for the year March 31, 2018 Rs 303.23 lakhs) (refer Note 35).

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

49. Approval of financial statements

The financial statements were approved for issue by the board of directors on April 15, 2019.

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009

Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman

Sumit Shubhadarshan
Managing Director

Shaktishree Das
Chief Financial Officer

Subhashish Datta
Company Secretary

Kolkata
15th April, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of TRF Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of TRF Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"),and jointly controlled entity, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (herein after referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, of consolidated total comprehensive income (comprising of profit/ loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

4. We draw attention to the following paragraph included in the audit report of the Holding Company:

   Note 52 with respect to the losses incurred by the holding company and erosion of its net worth and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The holding company's ability to continue as a going concern is dependent on generation of the expected cash flows to be able to meet its obligations as and when they arise, for which an uncertainty exists.

Emphasis of Matter

5. We draw attention to the following paragraph included in the audit report of the Holding Company:

   Note 56 to the financial statements which states that the Reserve Bank of India (RBI) had approved conversion of certain receivables from TRF Singapore Pte Limited, a wholly owned subsidiary (WOS) to equity, subject to the Holding Company applying for compounding of its offence in respect of non-remittance of receivables in foreign currency from the WOS. Though the Holding Company had applied to the RBI for compounding, the same has not been accepted by RBI pending fulfilment of other conditions laid by RBI as specified in the note.

   Our opinion is not qualified in respect of these matters.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters are addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The matters are stated below and in paragraph 4 above.

   Appropriateness of estimation of cost to complete the project (Refer to Note 53 to the financial statements)

   The Holding Company recognizes revenue from construction contracts on percentage completion method as specified under Indian Accounting Standard (Ind AS) 115 - Revenue from Contracts with Customers. Determination of revenue requires estimation of total contract costs which is done based on the actual cost incurred till date and the cost to be incurred to complete the projects. The estimation of cost to complete involves exercise of significant judgement by the management and assessment of project data, making forecasts and assumptions.

   This has been considered as a key audit matter given the involvement of management judgement and any variation have consequential impact on the recognised revenue.

How our audit addressed the key audit matter

We have performed the following procedures among others :

a) Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete including the review and approval of estimated project cost.

b) Verified the contracts on test check basis entered by the Holding Company for the consideration and relevant terms and conditions relating to variations to the cost.

c) Obtained computation of estimated costs to complete and the percentage of project completion and verified the same against the contractual terms and the work orders placed with vendors.

d) Verified original invoices, purchase orders, receipts etc. for the actual costs incurred upto the year end date.

e) Discussed the status of the projects with the Holding Company's project management team and evaluated the reasonableness of the estimates made by the management of costs to be incurred for completion of the respective projects.

f) Verified the revision in total cost of the contracts by comparing the management estimates revised during the current year with the estimate made in earlier years and obtained reasons for such revision, including verification of correspondence with the vendors in case of renegotiation of prices with them and the approvals for the same.

Based on the above procedures performed, we considered the management's estimation of cost to complete the project to be reasonable.

Other Information

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and management discussion analysis, but does not include the consolidated financial statements and our auditor's report thereon.

8. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

9. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 18 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

10. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group and Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

11. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for assessing the ability of the Group and jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for overseeing the financial reporting process of the Group and jointly controlled entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entitiy to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entity to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

15. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

18. We did not audit the financial statements of 4 subsidiaries, and 1 jointly controlled entity whose financial statements reflect total assets of Rs 11,932.40 lakhs and net assets of Rs 7,351.05 lakhs as at March 31, 2019, total revenue of Rs. 11,468.13 lakhs, total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs 1,726.79 lakhs and net cash flows amounting to Rs 670.98 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. 1,436.07 lakhs and Rs. 1.47 lakhs for the year ended March 31, 2019 as considered in the consolidated Ind AS financial statements,

and in respect of 1 jointly controlled entity respectively, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

19. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, jointly controlled company incorporated in India, none of the directors of the Group companies and jointly controlled company incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and jointly controlled entity– Refer Note 48 to the consolidated financial statements.

        ii Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2019– Refer Note 23 and Note 26 to the consolidated financial statements in respect of such items as it relates to the Group and jointly controlled entity.

        iii During the year ended March 31, 2019, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and jointly controlled company incorporated in India.

        iv The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2019.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Sougata Mukherjee
Partner
Membership Number: 057084

Place: Kolkata
April 15, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 19(f) of the Independent Auditors' Report of even date to the members of TRF Limited on the consolidated financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1 In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of TRF Limited (hereinafter referred to as "the Holding Company")and jointly controlled company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2 The respective Board of Directors of the Holding company, and jointly controlled company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3 Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement , including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5 We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6 A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7 Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8 In our opinion, the Holding Company and jointly controlled company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9 Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 jointly controlled company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Sougata Mukherjee
Partner
Membership Number: 057084

Place: Kolkata
April 15, 2019

Consolidated Balance Sheet as at March 31, 2019

Rs. lakhs

			Note	As at 31.03.2019	As at 31.03.2018
(I)	**ASSETS**				
(1)	**Non-current assets**				
	(a)	Property, plant and equipment	03	**3,671.88**	3,864.32
	(b)	Capital work in progress		**147.65**	78.23
	(c)	Goodwill	04	**7,562.41**	15,467.10
	(d)	Other intangible assets	05	**18.75**	35.91
				11,400.69	19,445.56
	(e)	Financial assets			
		(i) Investments			
		a) Investments in joint ventures	06	**2,736.94**	1,842.86
		b) Other non-current investments	07	**58.21**	47.56
		(ii) Other financial assets	08	**410.50**	477.32
	(f)	Other non-current assets	09	**3,321.54**	314.70
	(g)	Advance income tax assets (net)		**2,156.82**	2,733.67
	(h)	Deferred tax assets (net)	10	**18.32**	17.46
				20,103.02	24,879.13
(2)	**Current Assets**				
	(a)	Inventories and contracts in progress	11	**8,624.79**	10,029.42
	(b)	Financial assets			
		(i) Trade receivables	12	**29,927.14**	38,021.34
		(ii) Cash and cash equivalents	13	**3,042.27**	1,421.31
		(iii) Other balances with bank	13	**3,038.26**	768.10
		(iv) Other financial assets	14	**738.92**	577.81
		(v) Derivative assets	15	**-**	96.39
	(c)	Other current assets	16	**2,572.60**	5,363.20
	(d)	Current tax assets (net)		**15.32**	16.59
	(e)	Assets held for sale	17	**-**	27,913.82
				47,959.30	84,207.98
TOTAL ASSETS				**68,062.32**	109,087.11
(II)	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a)	Equity share capital	18	**1,100.44**	1,100.44
	(b)	Other equity	19	**(1,159.30)**	(21,182.79)
	Equity attributable to owners of the Company			**(58.86)**	(20,082.35)
	Non-controlling interests		20	**-**	45.28
Total equity				**(58.86)**	(20,037.07)
(2)	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	21	**2,475.36**	3,404.55
		(ii) Other financial liabilities	22	**8.12**	-
	(b)	Provisions	23	**1,482.75**	1,457.05
	(c)	Other non-current liabilities	24	**23.68**	25.90
	(d)	Deferred tax liabilities (Net)	10	**15.38**	20.30
	Total Non-current liabilities			**4,005.29**	4,907.80
(3)	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	25	**17,174.16**	29,623.70
		(ii) Derivative liabilities	26	**2.02**	5.30
		(iii) Trade payables	27		
		(a) Total outstanding dues of micro and small enterprises		**762.05**	437.71
		(b) Total outstanding dues of creditors other than (iii)(a) above		**24,780.27**	30,427.56
		(iv) Other financial liabilities	28	**3,584.45**	7,217.85
	(b)	Provisions	23	**2,587.00**	4,327.20
	(c)	Other current liabilities	29	**13,503.93**	20,234.56
	(d)	Current Income tax liabilities (net)		**1,722.01**	2,133.80
	(e)	Liabilities held for sale	17	**-**	29,808.70
	Total current liabilities			**64,115.89**	124,216.38
TOTAL EQUITY AND LIABILITIES				**68,062.32**	109,087.11

See accompanying notes forming part of the financial statements

In terms of our report of even date
For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha — *Chairman*
Sumit Shubhadarshan — *Managing Director*

Shaktishree Das — *Chief Financial Officer*
Subhashish Datta — *Company Secretary*

Kolkata
15th April, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

Rs. lakhs

		Note	**Year ended 31.03.2019**	Year ended 31.03.2018
(1)	**Revenue from operations (gross)**	30	**34,919.78**	44,177.58
(2)	**Other income**	31	**1,166.58**	488.57
(3)	**Total Revenue (1) + (2)**		**36,086.36**	44,666.15
(4)	**EXPENSES**			
	(a) Cost of materials consumed	32	**13,975.42**	25,146.02
	(b) Payment to sub-contractors		**5,649.00**	8,376.71
	(c) Changes in inventories of finished products, work in progress and contracts in progress	33	**1,402.85**	2,923.98
	(d) Excise duty on sale of goods		**–**	243.82
	(e) Employee benefit expense	34	**5,981.54**	6,669.51
	(f) Finance costs	35	**6,337.25**	4,894.50
	(g) Depreciation and amortisation expense	36	**461.74**	499.46
	(h) Other expenses	37	**15,395.79**	15,153.20
	Total Expenses (4)		**49,203.59**	63,907.20
(5)	**Profit /(Loss) before share of profits from joint ventures, exceptional items and tax (3) - (4)**		**(13,117.23)**	(19,241.05)
(6)	**Share of profit/(loss) from joint ventures**		**1,436.07**	743.16
(7)	**Profit /(Loss) before exceptional items and tax (5) + (6)**		**(11,681.16)**	(18,497.89)
(8)	**Exceptional Items**			
	(a) Gain on Foreign Currency fluctuation		**3,719.25**	–
	(b) Impairment of Investment in Subsidiary		**(2,320.14)**	
	Total Exceptional Items (8)		**1,399.11**	–
(9)	**Profit/(Loss) before tax (7) + (8)**		**(10,282.05)**	(18,497.89)
(10)	**Tax Expense**	40		
	(a) Current tax		**138.52**	168.83
	(b) Deferred tax		**(3.15)**	(1,971.45)
	Total tax expense (10)		**135.37**	(1,802.62)
(11)	**Profit /(Loss) after tax from continuing operation (9) - (10)**		**(10,417.42)**	(16,695.27)
(12)	**Profit /(Loss) after tax from discontinued operation**	38		
	(a) Profit/(loss) after tax from discontinued operations		**(510.87)**	958.89
	(b) Profit on disposal of discontinued operations		**7,441.98**	2,325.03
(13)	**Profit/(loss) for the year**		**(3,486.31)**	(13,411.35)
	Profit for the year attributable to:			
	Owners of the Company		**(3,456.83)**	(13,411.35)
	Non controlling interests		**(29.48)**	–
			(3,486.31)	(13,411.35)

Consolidated Statement of Profit and Loss for the year ended March 31, 2019 *(Contd.)*

Rs. lakhs

	Notes	Year ended 31.03.2019	Year ended 31.03.2018
(14) Other comprehensive income			
A Items that will not be reclassified to profit and loss account			
(a) Equity instruments through other comprehensive income		**10.63**	11.23
(b) Remeasurement of the employees defined benefit plans		**161.50**	(8.98)
(c) Income tax relating to items that will not be reclassified to profit or loss		**1.79**	0.28
		173.92	2.53
B Items that will be reclassified to profit and loss account			
(a) Foreign currency translation differences - foreign companies		**553.45**	1,447.92
(b) Income tax on items that will be reclassified to profit or loss		**–**	–
		553.45	1,447.92
Total other comprehensive income (14)		**727.37**	1,450.45
(15) Total comprehensive income for the period (13 + 14)		**(2,758.94)**	(11,960.90)
Total comprehensive income for the period attributable to:			
Owners of the Company		**(2,729.48)**	(11,960.88)
Non controlling interests		**(29.46)**	(0.02)
		(2,758.94)	(11,960.90)
(16) Earnings per equity share for profit from continuing operation attributable to the owners of the Company:			
(Face value of share of Rs 10 each)	42		
Basic Earnings per share		**(94.67)**	(151.71)
Diluted earnings per share		**(94.67)**	(151.71)
Earnings per equity share for profit from discontinued operation attributable to the owners of the Company:			
(Face value of share of Rs 10 each)			
Basic Earnings per share		**62.98**	29.84
Diluted earnings per share		**62.98**	29.84
Earnings per equity share for profit from continuing and discontinued operation attributable to the owners of the Company:			
(Face value of share of Rs 10 each)			
Basic Earnings per share		**(31.68)**	(121.87)
Diluted earnings per share		**(31.68)**	(121.87)

See accompanying notes to the consolidated financial statements

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha *Chairman*
Sumit Shubhadarshan *Managing Director*
Shaktishree Das *Chief Financial Officer*
Subhashish Datta *Company Secretary*
Kolkata
15th April, 2019

Consolidated Cash Flow Statement for the year ended March 31, 2019

Rs. lakhs

		Year ended 31.03.2019	Year ended 31.03.2018
A	**Cash Flow from Operating activities**		
	Profit /(Loss) for the year from		
	Continuing operations	**(10,417.42)**	(16,695.27)
	Discontinued operations	**6,931.11**	3,283.92
	Profit after tax including discontinued operations	**(3,486.31)**	(13,411.35)
	Adjustments for:		
	Income tax expenses recognized in profit and loss account	**135.37**	(792.62)
	Share of profits from joint ventures	**(1,436.07)**	(743.16)
	Share of Profits from discontinued Joint Venture	**–**	(96.95)
	Profit on sale of discontinued operation	**(7,441.98)**	(2,325.03)
	Loss on discontinued operation	**510.87**	–
	Impairment of goodwill	**2,320.14**	–
	Gain on Foreign Currency fluctuation	**(3,719.25)**	–
	Finance cost recognized in profit and loss	**5,817.79**	5,366.81
	Interest income recognized in profit and loss	**(208.34)**	(83.75)
	Dividend income recognized in profit and loss	**(0.34)**	(0.29)
	Net loss/(gain) on disposal of property, plant and equipment	**0.07**	–
	Net loss/(gain) recognized in profit and loss on financial liabilities designated as at fair value through profit and loss	**93.11**	200.10
	Impairment loss recognized on trade receivables	**5,766.07**	4,966.35
	Impairment loss recognized on other financial assets	**41.79**	8.13
	Impairment loss recognized on other non-financial assets	**47.60**	(6.66)
	Depreciation and amortization of tangible and intangible assets	**461.74**	890.51
	Loan issue expenses recognized in profit and loss	**–**	1.15
	Unrealised exchange (gain)/loss	**1,194.39**	131.03
	Exchange differences on long-term monetary items amortised from FCMITDA	**69.21**	12.96
	Exchange difference on long-term loans	**–**	(165.39)
		165.86	(6,048.16)
	Movements in working capital:		
	(Increase)/Decrease in inventories	**1,424.25**	2,117.62
	(Increase)/Decrease in trade receivables	**3,080.63**	3,175.46
	(Increase)/Decrease in other non-current financial assets	**49.39**	2,379.21
	(Increase)/Decrease in other current financial assets	**(641.89)**	(472.65)
	(Increase)/Decrease in other non-current assets	**(3,538.28)**	(16.19)
	(Increase)/Decrease in other current assets	**2,751.14**	1,669.85
	Increase/(decrease) in trade payables	**(5,333.51)**	2,429.93
	Increase/(decrease) in other non current financial liabilities	**8.12**	–
	Increase/(decrease) in other current financial liabilities	**(234.40)**	200.33
	Increase/(decrease) in long-term provisions	**19.04**	(382.60)
	Increase/(decrease) in short-term provisions	**(1,739.51)**	1,442.20
	Increase/(decrease) in other non-current liabilities	**(2.22)**	4.37
	Increase/(decrease) in other current liabilities	**(6,740.18)**	83.98
	Cash generated from operations	**(10,731.56)**	6,583.36
	Income taxes paid/(refunded)	**32.19**	(1,060.94)
	Net cash (used in) / from operations	**(10,699.37)**	5,522.42

Consolidated Cash Flow Statement for the year ended March 31, 2019 *(Contd.)*

Rs. lakhs

		Year ended 31.03.2019	Year ended 31.03.2018
B	**Cash flows from investing activities**		
	Payments for property plant and equipment	**(264.70)**	(435.41)
	Proceeds from disposal of property, plant and equipment	**0.02**	115.37
	Proceeds from Sale of other non-current investments	**14,838.88**	3,060.00
	Dividend received from joint ventures	**448.87**	–
	Dividend received from other non current investments	**0.33**	0.29
	Interest received	**162.70**	26.02
	(Increase)/decrease in earmarked deposits	**(1,752.00)**	(466.05)
	Net cash (used in) / from investing activities	**13,434.10**	2,300.22
C	**Cash flows from financing activities**		
	Proceeds from long-term loans	**147.31**	10,264.29
	Proceeds from buyers' credit	**3,598.57**	2,858.61
	Proceeds from Inter Corporate Deposit	**24,200.00**	–
	Proceeds/(repayment) from/of working capital and other short term loans	**(12,599.12)**	4,140.85
	Proceeds from Sale of Equity / Debt Instruments	**25,000.00**	–
	Proceeds/(repayment) from/of bills discounting	**(33.09)**	(135.99)
	Repayment of long-term loans	**(6,889.86)**	(15,902.74)
	Repayment of finance lease obligation	**8.49**	(13.52)
	Repayment of buyers' credit	**(4,455.50)**	(2,785.92)
	Repayment of Inter Corporate Deposit	**(24,200.00)**	–
	Dividend paid	**(2.52)**	(46.69)
	Premium paid on derivative contracts	**–**	(55.88)
	Interest paid	**(5,865.54)**	(5,324.11)
	Net cash (used in) / from financing activities	**(1,091.26)**	(7,001.10)
Net increase/(decrease) in cash or cash equivalents		**1,643.47**	821.53
Cash and cash equivalents as at 1 April, 2018		**1,421.31**	4,573.61
Effect of exchange rate on translation of foreign currency Cash and cash equivalents		**(22.51)**	218.34
Cash and cash equivalents as at 31 March, 2019		**3,042.27**	5,613.49

Reconciliation of cash and cash equivalents as per the cash flow statement	**Year ended**	Year ended
Cash and cash equivalent as per above comprise of the following :	**31.03.2019**	31.03.2018
Cash and cash equivalents (note 13)	**3,042.27**	1,421.31
Cash and cash equivalents - held for sale (note 17)	**–**	4,192.18
Balances as per statement of cash flow	**3,042.27**	5,613.49

See accompanying notes to the consolidated financial statements

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha — *Chairman*
Sumit Shubhadarshan — *Managing Director*
Shaktishree Das — *Chief Financial Officer*
Subhashish Datta — *Company Secretary*
Kolkata
15th April, 2019

Consolidated Statement of changes in Equity

A Equity share capital

Particulars	Amount Rs. lakhs
Balance as at 31 March 2018	**1,100.44**
Changes in equity share capital during the year ended March 31, 2018	–
Balance as at 31 March 2019	**1,100.44**

B Other Equity

Rs. lakhs

	Reserves and Surplus							Items of Other Comprehensive income	Non Controlling Interest	Total Equity
	Amalgamation Reserve	Foreign currency translation reserve	Foreign exchange fluctuation reserve	General reserve	Foreign currency monetary item translation difference	Retained Earnings	12.5% Non Convertible Redeemable Preference Shares	Investment Revaluation Reserve (Equity)		
Balance at April 1, 2017	61.81	(617.51)	448.20	14,458.59	(26.71)	(23,597.93)	-	36.01	45.23	(9,192.31)
Loss for the year	-	-	-	-	-	(13,411.35)	-	-	-	(13,411.35)
Additions during the year	-	-	-	-	2.68	-	-	-	-	2.68
Other Comprehensive Income	-	1,447.94	-	-	-	(8.98)	-	11.23	(0.02)	1,450.17
Tax impact of the above	-	-	-	-	-	0.28	-	-	-	0.28
Recognised in the statement of profit and loss		-	-	-	12.95	-	-	-	-	12.95
Exchange difference on consolidation		-	-	-	-	-	-	-	0.07	0.07
Balance at March 31, 2018	61.81	830.43	448.20	14,458.59	(11.08)	(37,017.98)	-	47.24	45.28	(21,137.51)
Loss for the year	-	-	-	-	-	(3,456.83)	-	-	-	(3,456.83)
Additions during the year	-	-	-	-	(58.13)	112.64	22,629.23	-	-	22,683.74
Other Comprehensive Income	-	553.45	-	-	-	161.50	-	10.63	(29.48)	696.10
Tax impact of the above	-	-	-	-	-	1.79	-	-	-	1.79
Recognised in the statement of profit and loss		-	-	-	69.21	-	-	-	-	69.21
Exchange difference on consolidation		-	-	-	-	-	-	-	(15.80)	(15.80)
Balance at March 31, 2019	**61.81**	**1,383.88**	**448.20**	**14,458.59**	**-**	**(40,198.88)**	**22,629.23**	**57.87**	**-**	**(1,159.30)**

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

For and on behalf of the Board of Directors

Rajesh Ranjan Jha
Chairman

Sumit Shubhadarshan
Managing Director

Shaktishree Das
Chief Financial Officer

Subhashish Datta
Company Secretary

Kolkata
15th April, 2019

Notes forming part of the financial statements

1. **General corporate information**

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

2. **Summary of significant accounting policies**

2.01 Statement of compliance

The financial statements for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") under Section 133 of Companies Act, 2013 and Companies (Indian Accounting Standards) Rules 2015 (the Rules) issued by Ministry of Corporate Affairs (MCA).

2.02 Basis of preparation and presentation

These consolidated financial statements of the Group are prepared under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these consolidated financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are catergorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.03 Use of estimates

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Revenue from construction contracts (Refer Note 2.07(ii))
- Useful lives of Property, plant and equipment & intangible assets (Refer Note 2.13 and 2.14)
- Assets and obligations relating to employee benefits (Refer Note 44)
- Valuation and measurement of income taxes and deferred taxes (Refer Note 2.12)
- Provisions and Contingencies (Refer Note 2.17)
- Retention money receivable
- Going Concern (Refer Note 52)

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

2.04 Basis of consolidation

Subsidiaries

The consolidated financial statements include TRF Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Group's ownership interest in existing subsidiaries

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IND AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using equity method , after initially being recognised at cost.

Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Company's investment includes goodwill

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

2.05 Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in the statement of profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. The acquirer shall recognise the resulting gain in other comprehensive income on the acquisition date and accumulate the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the excess shall be recognised directly in equity as capital reserve.

2.06 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on pro rated basis on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. Any impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.07 Revenue recognition

The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has adopted Ind AS 115 using the modified retrospective approach. The adoption of the standard did not have any material impact to the financial statement of the Company.

The Company is in the business of supply and erection and commissioning of bulk material handling equipment. The equipment and services are sold both on their own in separate identified contracts with customers and together as a bundled package of goods and/or services. The Company is also engaged in production of material handling equipment at its manufacturing plant in Jamshedpur.

Revenue is measured at fair value of the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government.

i) Sale of goods

For contracts with customers in which the sale of equipment is generally expected to be the only performance obligation, adoption of Ind AS 115 does not have any material impact on the Company's revenue and profit or loss. The Company has concluded that the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods as per the terms of the contracts with the customers.

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company provides normal warranty for general repairs for 12 to 18 months on products sold in line with industry practice. A liability is recognised at the time the product is sold.

ii) Construction contracts

Revenue from contracts are recognised on percentage completion method specified under Indian Accounting Standard (Ind AS) 115 – Revenue from Contracts with Customers. Obligations under the long term construction contracts are satisfied over time. Revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion.

The outcome of a construction contract is considered as estimated reliably when (a) all critical approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crore, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crore, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crore whichever is higher. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, cement and other related items are considered at current market price based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as amount due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included as a liability as advances received. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

iii) Service Contracts

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case, the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

iv) Dividend and interest income

Dividend income is recognised when the company's right to receive payment has been established and that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

2.08 Lease

The Company as lessee

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

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

2.09 Foreign currencies

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts and net investment in non-integral foreign operations) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange difference on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the statement of profit and loss on disposal of the net investments.

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Employee benefits

i) Short-term benefits

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

ii) Defined contribution plans

Payments to defined contribution plans are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees and Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis-s-vis interest rate declared by the Employees' Provident Fund Organisation. The liability as on the balance sheet date is ascertained by an independent actuarial valuation.

iii) Defined benefit plans

The cost of providing defined benefit plans are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. The Company provides gratuity to its employees and pension to retired whole-time directors. Gratuity liabilities are funded and managed through separate trust (except in case of some of the employees of Port and Yard Equipment Division where the funds are managed by Life Insurance Corporation of India). The liabilities towards pension to retired whole-time directors are not funded.

Remeasurements, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to the statement of profit and loss but recognised directly in the retained earnings. Past service costs are recognised in the statement of profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognised in the statement of profit and loss are categorised as follows :

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- net interest expense or income.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

iv) Other Long-term benefits

The Company provides annual leave which are accumulating and vesting to its employees. The annual leave benefit is not funded. The cost of providing annual leave benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. All actuarial gains or losses are recognised in the statement of profit and loss in the period in which they occur.

2.12 Taxation

i) Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets arising from the deductible temporary differences are only recognised to the extent it is probable that there will be sufficient taxable profits against which the benefits of the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

iii) Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.13 Property, Plant and Equipment

Property, Plant and Equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings and Roads	:	**5 to 60 years**
Plant and Equipment	:	**3 to 15 years**
Electrical Installations	:	**10 years**
Laboratory Equipment	:	**10 years**
Furniture and Fixtures	:	**10 years**
Office Equipments	:	**3 to 10 years**
Computers	:	**3 years**
Motor Vehicles	:	**5 to 8 years**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

2.14 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows:

Software	:	**1 to 10 years**

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in the statement of profit and loss.

2.15 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in the statement of profit and loss.

2.16 Inventories

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

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

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

2.17 Provisions, Contingent liabilities and Contingent assets

2.17.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.17.02 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's warranty obligation.

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

2.17.03 Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

2.17.04 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the separate financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.18 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

2.19 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a transaction date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.19.01 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the statement of profit and loss and is included in the "Other income" line item.

2.19.02 Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Company has equity investments in two entities, and elected to FVTOCI irrevocable option for both of these investments.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the profit and loss.

2.19.03 Financial assets at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'Other income' line item.

2.19.04 Investment in Subsidiaries, Joint ventures and Associates

Investments in subsidiaries, joint venture and associates are measured at cost as per Ind AS 27 – Separate Financial Statement.

2.19.05 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures loss allowance for a financial instrument at life time expected credit loss model in the previous period, but determines at the end of reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowances based on 12 months expected credit loss.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For the trade receivables or any contractual right to receive cash or another financial asset that result from transactions

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.19.06 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.19.07 Foreign exchange gain and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

2.20 Financial liabilities and equity instruments

2.20.01 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument

2.20.02 Classification as debt or equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

2.20.03 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below

2.20.03 (i) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

2.20.03 (ii) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

2.20.04 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18

2.20.05 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.20.06 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.20.07 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and

Notes forming part of the financial statements

2. Summary of significant accounting policies (contd.)

foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.21 Segment

Information reported to the Chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Products & services
- Project & services.

The Company's chief operating decision maker is the Managing Director. Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue 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. The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

2.22 Earning per share

Basic earnings per share is computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year.

Diluted earning per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.23 Recent accounting pronouncements - Standards issued but not yet effective :

Ind AS - 116 : Leases

The Ministry of Corporate Affairs (MCA) has notified (Indian Accounting Standard) (Amendment) Rules 2018 to amend the above Ind AS. The amendment will come into force from accounting period commencing on or after April 1, 2019. The company is in the process of assessing the possible impact of Ind AS - 116 and shall adopt the amendment from effective date.

Notes forming part of the financial statements

3. Property, plant and equipment

Rs. lakhs

	Freehold Land	Freehold buildings	Leasehold buildings	Owned Plant and Machinery	Electrical Installation	Finance Leased Plant and Machinery	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Leased Vehicles	Total
Balance at March 31, 2017	229.81	3,661.13	114.25	2,714.49	147.35	46.54	13.37	150.64	340.43	271.03	9.77	7,698.81
Additions	-	-	78.28	224.58	2.22	-	16.18	9.66	33.52	47.56	-	412.00
Disposals	-	-	-	(102.54)	(0.13)	-	-	-	(1.04)	(34.63)	-	(138.34)
Classified as held for sale	-	(937.77)	-	(1,391.56)	-	-	-	(83.97)	(316.18)	(152.51)	-	(2,881.99)
Exchange difference on consolidation	0.37	36.48	21.87	112.60	-	(0.02)	-	3.57	24.93	16.24	0.02	216.06
Balance at March 31, 2018	**230.18**	**2,759.84**	**214.40**	**1,557.57**	**149.44**	**46.52**	**29.55**	**79.90**	**81.66**	**147.69**	**9.79**	**5,306.54**
Additions	-	77.53	-	59.34	9.62	-	-	3.68	14.77	3.51	38.32	206.77
Disposals	(0.78)	-	-	(1.00)	(0.27)	(0.64)	-	-	(0.40)	-	-	(3.09)
Exchange difference on consolidation	14.61	33.86	(4.20)	3.60	(0.07)	2.54	-	1.08	0.76	(1.50)	0.62	51.30
Balance at March 31, 2019	**244.01**	**2,871.23**	**210.20**	**1,619.51**	**158.72**	**48.42**	**29.55**	**84.66**	**96.79**	**149.70**	**48.73**	**5,561.52**
Accumulated depreciation												
Balance at March 31, 2017	-	357.42	12.04	780.89	57.67	11.74	2.39	65.29	179.51	92.61	5.83	1,565.39
Depreciation expense	-	174.30	15.03	471.26	27.48	6.82	2.08	26.56	61.33	50.95	3.92	839.73
Disposals	-	-	-	(3.65)	(0.12)	-	-	-	(0.01)	(19.18)	-	(22.96)
Classified as held for sale	-	(168.74)	-	(557.60)	-	-	-	(45.02)	(212.81)	(78.05)	-	(1,062.22)
Exchange difference on consolidation	-	21.02	2.82	66.79	0.01	0.04	-	3.15	19.56	8.86	0.04	122.29
Balance at March 31, 2018	**-**	**384.00**	**29.89**	**757.69**	**85.04**	**18.60**	**4.47**	**49.98**	**47.58**	**55.19**	**9.79**	**1,442.23**
Depreciation expense	-	116.17	21.31	220.19	20.20	6.87	3.02	10.33	13.60	25.20	0.83	437.72
Disposals	(0.78)	-	-	(0.94)	(0.26)	(0.63)	-	-	(0.40)	-	-	(3.01)
Exchange difference on consolidation	-	6.67	(0.87)	3.99	0.38	0.92	-	0.70	0.64	(0.34)	0.62	12.71
Balance at March 31, 2019	**(0.78)**	**506.84**	**50.33**	**980.93**	**105.36**	**25.76**	**7.49**	**61.01**	**61.42**	**80.05**	**11.24**	**1,889.65**
Carrying amount												
Balance at March 31, 2017	229.81	3,303.71	102.21	1,933.60	89.68	34.80	10.98	85.35	160.92	178.42	3.94	6,133.42
Additions	-	-	78.28	224.58	2.22	-	16.18	9.66	33.52	47.56	-	412.00
Disposals	-	-	-	(98.89)	(0.01)	-	-	-	(1.03)	(15.45)	-	(115.38)
Depreciation	-	(174.30)	(15.03)	(471.26)	(27.48)	(6.82)	(2.08)	(26.56)	(61.33)	(50.95)	(3.92)	(839.73)
Classified as held for sale	-	(769.03)	-	(833.96)	-	-	-	(38.95)	(103.37)	(74.46)	-	(1,819.77)
Exchange difference on consolidation	0.37	15.46	19.05	45.81	(0.01)	(0.06)	-	0.43	5.37	7.38	(0.02)	93.78
Balance at March 31, 2018	**230.18**	**2,375.84**	**184.51**	**799.88**	**64.40**	**27.92**	**25.08**	**29.93**	**34.08**	**92.50**	**-**	**3,864.32**
Additions	-	77.53	-	59.34	9.62	-	-	3.68	14.77	3.51	38.32	206.77
Disposals	-	-	-	(0.06)	(0.01)	(0.01)	-	-	-	-	-	(0.08)
Depreciation	-	(116.17)	(21.31)	(220.19)	(20.20)	(6.87)	(3.02)	(10.33)	(13.60)	(25.20)	(0.83)	(437.72)
Exchange difference on consolidation	14.61	27.19	(3.33)	(0.39)	(0.45)	1.62	-	0.38	0.12	(1.16)	-	38.59
Balance at March 31, 2019	**244.79**	**2,364.39**	**159.87**	**638.58**	**53.36**	**22.66**	**22.06**	**23.66**	**35.37**	**69.65**	**37.49**	**3,671.88**

Note: For details of carrying amount of assets pledged as security for secured borrowings refer Note 21

Notes forming part of the financial statements

		As at 31.03.2019	As at 31.03.2018
		Rs. lakhs	Rs. lakhs
4.	**Goodwill**		
	Cost or deemed cost	**12,446.47**	17,894.75
	Accumulated impairment losses	**(4,884.06)**	(2,427.65)
		7,562.41	15,467.10
	Cost or deemed cost		
	Balance at beginning of the year	**17,894.75**	16,920.96
	Disposal of group undertakings	**(5,926.86)**	-
	Effect of foreign exchange differences	**478.58**	973.79
		12,446.47	17,894.75
	Accumulated impairment losses		
	Balance at beginning of the year	**(2,427.65)**	(2,270.40)
	Charge for the period	**-**	-
	Effect of foreign exchange differences	**(2,456.41)**	(157.25)
		(4,884.06)	(2,427.65)
5.	**Other Intangible assets**		
	Carrying amount of:		
	(a) Technical Know-how	**1.70**	13.60
	(b) Computer Software	**17.05**	22.31
		18.75	35.91

	Technical know-how	Computer Software	Trade marks	Total
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
Cost or deemed cost				
Balance at March 31, 2017	42.18	214.62	49.05	305.85
Additions	(0.01)	0.55	-	0.54
Disposals	-	-	-	-
Classified as held for sale	-	(64.65)	(49.13)	(113.78)
Exchange difference on consolidation	5.89	1.29	0.08	7.26
Balance at March 31, 2018	48.06	151.81	-	199.87
Additions	-	6.95	-	6.95
Disposals	-	-	-	-
Exchange difference on consolidation	(0.94)	0.01	-	(0.93)
Balance at March 31, 2019	**47.12**	**158.77**	**-**	**205.89**
Accumulated amortisation				
Balance at March 31, 2017	19.84	117.59	46.53	183.96
Amortisation expense	11.03	37.24	2.50	50.77
Classified as held for sale	-	(25.63)	(49.13)	(74.76)
Exchange difference on consolidation	3.59	0.30	0.10	3.99
Balance at March 31, 2018	34.46	129.50	-	163.96
Amortisation expense	11.79	12.22	-	24.01
Exchange difference on consolidation	(0.83)	-	-	(0.83)
Balance at March 31, 2019	**45.42**	**141.72**	**-**	**187.14**

Notes forming part of the financial statements

	Technical know-how	Computer Software	Trade marks	Total
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
Carrying amount				
Balance at March 31, 2017	22.34	97.03	2.52	121.89
Additions	(0.01)	0.55	-	0.54
Disposals	-	-	-	-
Amortisation expense	(11.03)	(37.24)	(2.50)	(50.77)
Classified as held for sale	-	(39.02)	-	(39.02)
Exchange difference on consolidation	2.30	0.99	(0.02)	3.27
Balance at March 31, 2018	13.60	22.31	0.00	35.91
Additions	-	6.95	-	6.95
Disposals	-	-	-	-
Amortisation expense	(11.79)	(12.22)	-	(24.01)
Classified as held for sale	-	-	-	-
Exchange difference on consolidation	(0.11)	0.01	-	(0.10)
Balance at March 31, 2019	**1.70**	**17.05**	**0.00**	**18.75**

	As at 31.03.2019		As at 31.03.2018	
	Qty Nos	**Amount Rs. lakhs**	Qty Nos	Amount Rs. lakha
6. Investments in joint ventures				
6.01 Break-up of Investment in jointly controlled entity				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments of				
Tata International DLT Private Limited	**8,540,000**	**2,736.94**	8,540,000	1,842.86
Total aggregate Unquoted investments		**2,736.94**		1,842.86

6.02 Details and financial information of material joint ventures

Details of the Group's material joint ventures at the end of the reporting period is as follows:

Name of jointly controlled entity	**Principal activity**	**Place of incorporation and principal place of business**	**Proportion of ownership interest**	
			As at 31.03.2019	As at 31.03.2018
Tata International DLT Private Limited	Manufacture of heavy duty trailers	India	**50%**	50%

The above joint ventures are accounted for using equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material set out below:

These summarised financial information given below represents amounts shown in the joint venture financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purpose.

Notes forming part of the financial statements

6.02 Details and financial information of material joint ventures (contd.)

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Adithya Automotive Applications Private Limited		
Non-current assets	-	1,122.04
Current assets	-	1,489.23
Non-current liabilities	-	109.29
Current liabilities	-	1,073.58
Tata International DLT Private Limited		
Non-current assets	**3,614.29**	3,097.18
Current assets	**7,475.02**	8,491.86
Non-current liabilities	**1,002.18**	840.63
Current liabilities	**4,612.52**	7,014.36

	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Adithya Automotive Applications Private Limited		
Revenue	-	8,630.46
Profit or loss from continuing operations	-	190.99
Profit (loss) for the year	-	190.99
Other comprehensive income for the year	-	(0.89)
Total comprehensive income for the year	-	190.10
The above profit/(loss) for the year include the following:		
Depreciation	-	153.51
Interest expense	-	21.40
Income tax expense	-	96.67
Tata International DLT Private Limited		
Revenue	**50,749.86**	34,781.01
Profit or loss from continuing operations	**2,824.53**	1,495.62
Profit (loss) for the year	**2,824.53**	1,495.62
Other comprehensive income for the year	**(2.96)**	3.89
Total comprehensive income for the year	**2,821.57**	1,499.51
The above profit/(loss) for the year include the following:		
Depreciation	**183.26**	153.57
Interest income	**4.75**	0.76
Interest expense	**198.14**	183.49
Income tax expense	**1,205.17**	711.20

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Reconciliation of above summarised financial information to the carrying amount of the interest in the jointly controlled entity recognised in the consolidated financial statements		
Tata International DLT Private Limited		
Net Assets of the joint venture	**5,474.61**	3,734.05
Proportion of the Group's ownership in the joint venture	**2,737.30**	1,867.03
Unrealised profits on closing stock	**(0.36)**	(24.17)
Carrying amount of the Groups interest in the jointly controlled entity	**2,736.94**	1,842.86

Notes forming part of the financial statements

7. Other non-current investments
(Carried at fair value through other comprehensive income)

	As at 31.03.2019		As at 31.03.2018	
	Qty	**Amount**	Qty	Amount
	Nos	**Rs. lakhs**	Nos	Rs. lakhs
Quoted Investments (all fully paid)				
Investments in Equity Instruments of				
HDFC Bank Limited	**2,500**	**57.91**	2,500	47.28
Total aggregate of Quoted investments		**57.91**		47.28
Unquoted Investments (all fully paid)				
Investments in Equity Instruments of				
Lanka IOC Limited	**2,800**	**0.30**	2,800	0.28
Nicco Jubilee Park Limited	**30,000**	**-**	30,000	-
[Net of empirement Rs. 3 lakhs (March 31, 2018 : Rs. 3 lakhs)]				
Total aggregate of Unquoted investments		**0.30**		0.28
Total Investments carrying value		**58.21**		47.56
Aggregate book value of quoted investments		**57.91**		47.28
Aggregate market value of quoted investments		**57.91**		47.28
Aggregate carrying value of unquoted investments		**0.30**		0.28
Aggregate amount of impairment in value of unquoted investments		**3.00**		3.00

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
8. Other non-current financial assets		
(Unsecured considered good)		
(a) Security deposits	**10.91**	58.80
(b) Earmarked non-current cash and bank balances	**399.59**	417.02
(c) Others	**-**	1.50
	410.50	477.32
9. Other non-current assets		
(a) Capital advances		
Considered good	**7.19**	7.28
Considered doubtful	**90.58**	90.58
	97.77	97.86
Less: Provision for doubtful advances	**90.58**	90.58
	7.19	7.28
(b) Advance with public bodies		
i) Excise	**173.90**	172.58
ii) Sales tax/Value added tax		
Considered good	**2,805.44**	132.48
Considered doubtful	**531.34**	-
	3,336.78	132.48
Less: Provision for doubtful advances	**531.34**	-
	2,805.44	132.48
(c) Other loans and advances		
Prepayments	**335.01**	-
Others	**-**	2.36
	335.01	2.36
	3,321.54	314.70

Notes forming part of the financial statements

10. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Deferred tax assets	**18.32**	17.46
Deferred tax liabilities	**(15.38)**	(20.30)
	2.94	(2.84)

For the Year ended 31.03.2019

Deferred tax (liabilities)/assets in relation to:

	Opening balance	**Recognised in profit and loss**	**Recognised in Profit and loss of discontinued operation**	**Recognised in other comprehensive income**	**Exchange difference on consolidation**	**Classified as held for sale**	**Closing Balance**
Property, plant and equipment	**(328.55)**	**8.62**	**-**	**-**	**(1.09)**	**-**	**(321.02)**
Exchange difference on long term loans	**(129.56)**	**-**	**-**	**-**	**-**		**(129.56)**
Deferment revenue on account of retention	**(6,732.49)**	**746.55**	**-**	**-**	**-**		**(5,985.94)**
Provision for doubtful debts	**562.88**	**-**	**-**	**-**	**-**		**562.88**
Provision for onerous contracts	**1,122.53**	**(392.40)**	**-**	**-**	**-**		**730.13**
Provision for warranty	**48.18**	**(10.68)**	**-**	**-**	**0.50**		**38.00**
Provision for employee benefits	**258.98**	**(24.21)**	**-**	**1.78**	**1.44**		**237.99**
Tax losses	**5,134.04**	**(324.77)**	**-**	**-**	**-**	**-**	**4,809.27**
Others	**61.15**	**0.04**	**-**	**0.01**	**(0.01)**		**61.19**
	(2.84)	**3.15**	**-**	**1.79**	**0.84**	**-**	**2.94**

For the Year ended 31.03.2018

	Opening balance	Recognised in profit and loss	Recognised in Profit and loss of discontinued operation	Recognised in other comprehensive income	Exchange difference on consolidation	Classified as held for sale	Closing Balance
Property, plant and equipment	(303.37)	5.14	-	-	(2.65)	(27.67)	(328.55)
Exchange difference on long term loans	(129.56)	-	-	-	-	-	(129.56)
Deferment revenue on account of retention	(6,809.51)	77.02	-	-	-	-	(6,732.49)
Provision for doubtful debts	557.47	5.41	-	-	-	-	562.88
Provision for onerous contracts	886.84	235.69	-	-	-	-	1,122.53
Provision for warranty	46.41	1.76	-	-	0.01	-	48.18
Provision for employee benefits	259.00	1.42	-	(1.50)	0.06	-	258.98
MAT credit recognised	106.58	-	-	-	0.17	(106.75)	-
Tax losses	3,515.71	1,708.91	129.23	-	2.90	(222.71)	5,134.04
Others	125.05	(63.90)	-	-	-	-	61.15
	(1,745.38)	1,971.45	129.23	(1.50)	0.48	(357.13)	(2.84)

Notes forming part of the financial statements

10. Deferred tax balances (contd.)

Deferred tax (liabilities)/assets not created in relation to:	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Tax losses	**4,654.43**	3,707.84
Unabsorbed Tax depreciation	**331.20**	164.34
Other Temporary differences	**7,154.12**	5,018.81
	12,139.75	8,890.99

11. Inventories and contracts in progress

(At lower of cost and net realisable value)

a) Inventories		
i) Raw materials (At lower of cost and net realisable value)	**3,568.72**	3,558.46
ii) Work-in-progress (At lower of cost and net realisable value)	**1,576.08**	2,317.77
iii) Finished products (At lower of cost and net realisable value)	**1,274.65**	1,353.70
iv) Spare parts and loose tools (At or lower than cost)	**149.94**	152.26
	6,569.39	7,382.19
b) Contracts in Progress	**2,055.40**	2,647.23
Total inventories	**8,624.79**	10,029.42
Cost of inventories includes the following which are in transit		
Raw materials	**53.41**	109.25

1 The cost of inventories recognised as an expense during the year in respect of write downs of inventory to its net realisable value was Rs 210.76 lakhs (for the year ended March 31, 2018 : Rs 116.13 lakhs).

2 The mode of valuation of inventories has been stated in note 2.16.

3 For details of carrying amount of inventories pledged as security for secured borrowings refer note 21.

12. Trade receivables

(a) Trade Receivable	**45,428.53**	47,304.37
(b) Receivable from related parties	**2,175.41**	3,468.84
Less : Loss allowance	**(17,676.80)**	(12,751.87)
Total Receivable	**29,927.14**	38,021.34
Current portion	**29,927.14**	38,021.34
Non-current portion	**-**	-
Break-up of Security details		
(a) Trade Receivable considered good - Secured	**-**	-
(b) Trade Receivable considered good - Unsecured	**47,603.94**	50,773.21
(c) Trade Receivable which have significant increase in credit risk	**-**	-
(d) Trade Receivble - credit impaired	**-**	-
Total	**47,603.94**	50,773.21
Less : Loss allowance	**(17,676.80)**	(12,751.87)
	29,927.14	38,021.34

Notes:

i) For details of carrying amount of trade receivables pledged as security for secured borrowings refer note 21.

ii) The credit period given to customers range from 0 to 30 days. No interest is charged on the overdue amounts.

Notes forming part of the financial statements

12. Trade receivables (contd.)

	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Movement in loss allowance		
Balance at beginning of the year	**12,751.87**	8,273.17
Credit allowances created during the year	**6,085.71**	4,896.11
Reversal of Credit allowances	**(1,137.54)**	(341.07)
Credit allowances adjusted with bad debts	**(30.50)**	-
Reclassified to Assets held for sale	**-**	(84.92)
Exchange difference on consolidation	**7.26**	8.58
Balance at end of the year	**17,676.80**	12,751.87

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
13. Cash and bank balances		
Cash and cash equivalents		
(a) Cash on hand	**6.08**	9.52
(b) Balances with banks		
In current accounts	**3,036.09**	1,411.69
In deposit accounts	**0.10**	0.10
Total cash and cash equivalents	**3,042.27**	1,421.31
Other balances with bank		
In dividend accounts	**6.26**	8.99
Earmarked balance for Margin Money	**77.99**	46.69
Earmarked balance for Interest	**938.52**	478.00
In deposit accounts	**2,015.49**	234.42
Total Other balances with bank	**3,038.26**	768.10
Total cash and bank balances	**6,080.53**	2,189.41
Included above		
(i) Earmarked balance for unpaid dividend	**6.26**	8.99
(ii) Earmarked balance for guarantee	**2,015.49**	234.42
14. Other current financial assets		
(a) Security deposits		
Considered good	**7.74**	37.92
Considered doubtful	**156.98**	115.19
	164.72	153.11
Less: Provision for doubtful deposits	**156.98**	115.19
	7.74	37.92
(b) Interest accrued on deposits, loans and advances	**109.21**	60.06
(c) Others : Considered Good	**621.97**	479.83
Others : Considered doubtful	**2,285.10**	2,285.10
	2,907.07	2,764.93
Less : Provision for doubtful advances	**2,285.10**	2,285.10
	621.97	479.83
	738.92	577.81

Notes forming part of the financial statements

			As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
15.	**Derivative assets**			
	(a)	Interest rate swaps	**-**	6.87
	(b)	Foreign currency options	**-**	89.52
			-	96.39
16.	**Other current assets**			
	(a)	Advance with public bodies		
		i) Excise	**-**	1.57
		ii) Goods and Service tax		
		Considered good	**693.71**	549.26
		Considered doubtful	**70.73**	-
			764.44	549.26
		Less: Provision for doubtful advances	**70.73**	-
			693.71	549.26
		iii) Sales tax/Value added tax		
		Considered good	**34.28**	3,034.97
		Considered doubtful	**-**	23.12
			34.28	3,058.09
		Less : Provision for doubtful advances	**-**	23.12
			34.28	3,034.97
	(b)	Other loans and advances		
		i) Advance to suppliers	**965.57**	693.63
		ii) Other advances and prepayments		
		Considered good	**879.04**	1,083.77
		Considered doubtful	**192.12**	-
			1,071.16	1,083.77
		Less: Provision for doubtful advances	**192.12**	-
			879.04	1,083.77
			2,572.60	5,363.20

Notes forming part of the financial statements

17. Assets and liabilites held for sale

a) In the year ended March 31, 2018, the Group had decided to divest its entire stake in York Equipment Transport (Asia) Pte Ltd. (a step down subsidiary). The Group has executed share purchase agreement dated March 21, 2018 with SAF Holland GMBH. On April 30, 2018, the Group has sold the step down subsidiary.

The major classes of assets and liabilities held for sale as on the respective reporting dates is as below:

	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
Assets Classified as held for sale:		
Property, plant and equipment	–	1,819.77
Other intangible assets	–	39.02
Other non-current financial assets	–	416.90
Deferred tax assets	–	357.13
Inventories and contracts in progress	–	10,532.77
Trade receivables	–	9,392.15
Cash and Bank balances	–	4,192.18
Other financial assets	–	222.97
Retirement benefit assets	–	0.57
Other non-financial assets	–	931.52
Current tax assets	–	8.84
	–	27,913.82
Less: Write down to fair value less costs to sell	–	–
	–	27,913.82
Liabilities classified as held for sale:		
Non-current Financial Liabilities	–	7,752.36
Long term Provisions	–	111.26
Current Borrowings	–	6,863.30
Trade payables	–	14,062.98
Other financial liabilities	–	135.69
Short term Provisions	–	422.59
Current tax liabilities	–	421.40
Other Current non financial liabilties	–	39.12
	–	29,808.70

Notes forming part of the financial statements

18. Share capital

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Authorised:		
30,000,000 Equity Shares of Rs. 10 each	**3,000.00**	3,000.00
(as at March 31, 2018 : 30,000,000; Equity Shares of Rs. 10 each)		
250,000,000 Preference Shares of Rs. 10 each (Refer note 54)	**25,000.00**	-
	28,000.00	3,000.00
Issued, Subscribed and fully paid up:		
11,004,412 Equity Shares of Rs. 10 each	**1,100.44**	1,100.44
(as at March 31, 2018 : 11,004,412; Equity Shares of Rs. 10 each)		
	1,100.44	1,100.44

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

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

	For the year ended 31.03.2019		For the year ended 31.03.2018	
	No. of Shares	**Amount**	No. of Shares	Amount
Equity shares		**Rs. lakhs**		Rs. lakhs
Issued, subscribed and fully paid up:				
At beginning and end of the year	**11,004,412**	**1,100.44**	11,004,412	1,100.44

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

	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	**%**	No. of Shares	%
Tata Steel Limited	**3,753,275**	**34.11%**	3,753,275	34.11%

Rights, preferences and restrictions attached to shares

Equity shares

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

Preference Shares

The Company has one class of 12.5% Non-Convertible Redeemable Preference Shares ('NCRPS') having a par value of Rs.10 per share. Each preference shareholder is eligible for one vote per share as per terms of Section 47(2) of the Companies Act 2013 and dividend as and when declared by the Company. As per the terms of preference shares, NCRPS shall be redeemable at par upon maturity or redeemed early at the option of the Company in full or in part at 3 monthly intervals from the date of allotment. In the event of winding up of Company, NCRPS shall be non-participating in surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company.

Notes forming part of the financial statements

				As at 31.03.2019	As at 31.03.2018
19.	**Other Equity**			**Rs. lakhs**	Rs. lakhs
	a)	Amalgamation Reserve		**61.81**	61.81
	b)	Foreign currency translation reserve		**1,383.88**	830.43
	c)	Foreign exchange fluctuation reserve		**448.20**	448.20
	d)	General reserve		**14,458.59**	14,458.59
	e)	Foreign currency monetary item translation difference		**-**	(11.08)
	f)	Reserve for equity instrument through other comprehensive income (OCI)		**57.87**	47.24
	g)	Retained Earnings		**(40,198.88)**	(37,017.98)
	h)	Equity Component of 12.5% Non Convertible Redeemable Preference Shares		**22,629.23**	-
				(1,159.30)	(21,182.79)

Amalgamation Reserve			
Opening and closing balance		**61.81**	61.81
Foreign currency translation reserve			
Opening balance	**830.43**		(617.51)
Add: Effects of foreign exchange rate variation during the year	**553.45**		1,447.94
Closing Balance		**1,383.88**	830.43
Foreign exchange fluctuation reserve			
Opening balance	**448.20**		448.20
Closing Balance		**448.20**	448.20
General reserve			
Opening balance	**14,458.59**		14,458.59
Closing Balance		**14,458.59**	14,458.59
Foreign currency monetary item translation difference			
Opening balance	**(11.08)**		(26.71)
Add: Additions during the year	**(58.13)**		2.68
Less: Recognised in the statement of profit and loss during the year	**69.21**		12.95
Closing Balance		**-**	(11.08)
Reserve for equity instrument through other comprehensive income (OCI)			
Opening balance	**47.24**		36.01
Add: Other comprehensive income for the year	**10.63**		11.23
Closing Balance		**57.87**	47.24
Retained Earnings			
Opening balance	**(37,017.98)**		(23,597.93)
Add: Profit/(Loss) for the year	**(3,344.19)**		(13,411.35)
Add: Other Comprehensive Income during the Year	**163.29**		(8.70)
Closing Balance		**(40,198.88)**	(37,017.98)
Equity Component of 12.5% Non Convertible Redeemable Preference Shares			
Opening balance	**-**	**-**	
Add: Additions during the year	**22,629.23**	**-**	
Closing Balance		**22,629.23**	-
		(1,159.30)	(21,182.79)

Notes:

(a) General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other

Notes forming part of the financial statements

19. Other Equity (contd.)

comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(b) Reserve for equity instrument through other comprehensive income (OCI) :

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

(c) Foreign exchange fluctuation reserve:

Foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items or disposal of investment.

(d) Foreign currency monetary item translation difference reserve :

Exchange differences arising on settlement and remeasurement of long-term foreign currency monetary items are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the maturity period or upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

(e) Equity component of 12.5% Non Convertible Redeemable Preference Shares :

This reserve represents Equity portion of 12.5% Non convertible redeemable preference shares (refer note 54).

20. Non-controlling interests	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs
Balance at beginning of the year	**45.28**	45.23
Disposals	**(29.48)**	-
Exchange difference on consolidation	**(15.80)**	0.05
Balance at end of the year	**-**	45.28

21. Non-Current borrowings	**As at 31.03.2019**	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
A Secured - at amortised cost		
(a) Term loans		
From banks	**86.81**	3,399.51
(b) Finance lease obligations	**17.78**	5.04
B Unsecured		
(a) Liability component of 12.50% Non Convertible Redeemable Preference Shares (Refer Note No 54)	**2,370.77**	-
Total Non-current borrowings	**2,475.36**	3,404.55

Notes forming part of the financial statements

21. Non-Current borrowings (Contd…)

Name of the bank/ instrument	As at 31.03.2019			As at 31.03.2018			Security & repayment terms
	Non-Current	**Current**	**Current Maturity (Refer Note 28)**	Non-Current	Current	Current Maturity (Refer Note 28)	
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	Rs. lakhs	Rs. lakhs	
Dena Bank	-	-	-	-	-	250.00	Secured by pari passu first charge on all the fixed assets and second charge on all current assets of the Company.
Axis Bank Limited	-	-	**1,572.01**	1,572.01	-	2,880.52	Secured by pari passu first charge on the fixed assets of the Company, present and future except assets charged exclusively to Small Industries Development Bank of India (SIDBI) and second charge on all current assets of the Company.
Axis Bank Limited	-	**855.55**	-	-	4,964.75	-	Secured by pari passu first charge on all current assets of company, and pari passu second charge on all fixed assets of Company except assets exclusively charged to SIDBI.
Canara Bank	-	**186.01**	-	-	2,448.03	-	Secured by pari passu first charge on stock and book debts of the Company, and second charge on all fixed assets (excluding Land & Building).
Bank of Baroda	-	**4,884.11**	-	-	5,493.95	-	Secured by hypothecation, ranking first pari passu charge on current assets of the Company and second charge on all the fixed assets of the Company except assets charged exclusively to SIDBI.
Central Bank of India	-	**1,782.35**	-	-	1,978.09	-	Secured by hypothecation, ranking first pari passu charge with other banks, of raw material, semi finished goods, finished goods, receivable and inventory etc. and second pari passu charge with other banks on fixed assets of the Company present and future except on asset hypothecated to SIDBI.
IDBI Bank Limited	-	**1,903.86**	-	-	2,041.75	-	Secured by pari passu first charge on entire current assets of the Company.

Notes forming part of the financial statements

21. Non-Current borrowings (Contd…)

Name of the bank/ instrument	**As at 31.03.2019**			As at 31.03.2018			Security & repayment terms
	Non-Current	**Current**	**Current Maturity (Refer Note 28)**	Non-Current	Current	Current Maturity (Refer Note 28)	
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	Rs. lakhs	Rs. lakhs	
HDFC Bank Limited	**-**	**71.10**	**-**	-	7,413.52	-	Secured by pari passu first charge on current assets of the Company, both present and future and pari passu second charge on all the movable fixed assets of the Company.
HDFC Bank Limited	**-**	**3,500.00**	**-**	-	-	-	Secured by pari passu first charge on current assets of the Company, both present and future and pari passu second charge on all the movable fixed assets of the Company.
Indian Bank	**-**	**2,165.64**	**-**	-	2,494.19	-	Secured by pari passu first charge on all entire current assets of the Company and pari passu second charge on all fixed assets of the Company.
IDBI Bank Limited	**-**	**-**	**499.97**	499.97	-	999.41	Secured by pari passu first charge on all fixed assets of the company and pari passu second charge over entire current assets of the Company.
Kotak Mahindra Bank Ltd	**-**	**-**	**1,327.53**	1,327.53	-	2,633.97	Secured by pari passu first charge on all fixed assets of the Company and pari passu second charge over entire current assets of the Company except the assets specifically charged to SIDBI.
National Development Bank	**-**	**103.41**	**-**	-	340.63	49.42	Secured by a first legal mortgage over the freehold factory land and a charge over the stock and book debts of one of the subsidiaries of the Company and supported by a guarantee issued by the Company on behalf of the subsidiary.
Sampath Bank		**37.36**		-	33.48	-	Secured by first charge on stock and book debts of one of the subsidiaries.

Notes forming part of the financial statements

21. Non-Current borrowings (Contd…)

Name of the bank/ instrument	As at 31.03.2019			As at 31.03.2018			Security & repayment terms
	Non-Current	**Current**	**Current Maturity (Refer Note 28)**	Non-Current	Current	Current Maturity (Refer Note 28)	
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	Rs. lakhs	Rs. lakhs	
Commercial Bank of Ceylon	**-**	**105.17**	**-**	-	106.78	-	Secured by charge on inventory and books debts of one of the subsidiaries.
National Development Bank	**-**	**136.16**	**-**	-	124.13	-	Secured by charge on inventory, book debts and freehold factory land of one of the subsidiaries and supported by guarantee issued by the Company on behalf of the subsidiary.
Bank of Ceylon	**-**	**90.69**	**-**	-	101.78	-	Secured by first charge on fixed assets situated in one of the factories of the subsidiary.
Hatton National Bank	**86.81**	**-**	**34.34**	-	-	-	Secured by charge against FD 59000000.
Sampath Bank	**-**	**44.94**	**-**	-	24.66	-	Secured by charge on inventory and book debts of one of the subsidiaries.
Hatton National Bank	**-**	**57.31**	**-**	-	20.61	-	Secured by charge on fixed deposits of one of the subsidiaries.
Buyer's Credit from Banks	**-**	**1,013.93**	**-**	-	1,783.97	-	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.
Bills Discounted with Banks	**-**	**236.57**	**-**	-	253.38	-	Secured by pari passu first charge on specified asset
Total secured borrowings	**86.81**	**17,174.16**	**3,433.85**	3,399.51	29,623.70	6,813.32	

Note : All cash credits are repayable on demand.

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
22.	**Non-current Other Financial Liabilities**		
	Liabilities for Amortised Interest Cost *	**8.12**	-
		8.12	-
	* Interest Cost on liability component of 12.50% Non Convertible Redeemable Preference Shares.		
23.	**Provisions**		
	Current		
	(a) Provision for employee benefits		
	i) Post retirement pension	**77.38**	86.63
	ii) Retirement gratuity	**9.87**	10.50
	iii) Other long-term employee benefits		
	Compensated absence	**39.53**	649.00
	(b) Provision for estimated losses on onerous contracts	**2,089.55**	3,212.38
	(c) Provision for warranty (Refer note 50)	**336.96**	337.54
	(d) Other Provisions	**33.71**	31.15
		2,587.00	4,327.20
	Non-current		
	(a) Provision for employee benefits		
	i) Post retirement pension	**831.81**	924.90
	ii) Retirement gratuity	**124.22**	532.15
	iii) Other long-term employee benefits		
	Compensated absence	**526.72**	-
		1,482.75	1,457.05
24.	**Other non-current liabilities**		
	(a) Pension payable under employee separation scheme	**7.83**	10.05
	(b) Deposit from employees	**15.85**	15.85
		23.68	25.90
25.	**Current Borrowings**		
	Secured - at amorised cost (For security details refer note 21)		
	(a) Repayable on demand		
	From banks		
	i) Working capital demand loans	**3,869.37**	366.17
	ii) Cash credit	**11,950.89**	26,879.55
	iii) Other short-term loans	**103.41**	340.63
	(b) Other loans		
	i) Buyer's credit	**1,013.92**	1,783.97
	ii) Bills discounted with banks	**236.57**	253.38
	Total borrowings	**17,174.16**	29,623.70
26.	**Derivative Liabilities**		
	(a) Foreign currency forward contracts	**2.02**	5.30
		2.02	5.30
	Current	**2.02**	5.30
		2.02	5.30

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
27.	**Trade Payables**		
(a)	Trade payables : micro and small enterprises (refer note 51)	**762.05**	437.71
(b)	Trade payables : others	**24,273.51**	29,882.59
(c)	Trade payables : related party (refer note 46)	**506.76**	544.97
		25,542.32	30,865.27
28.	**Other current financial liabilities**		
(a)	Current maturities of long-term debts (For security details refer note 21)	**3,433.85**	6,813.32
(b)	Current maturities of finance lease obligations	**7.21**	10.76
(c)	Interest accrued but not due on other borrowings	**10.95**	2.48
(d)	Interest accrued and due on other borrowings	**80.19**	135.55
(e)	Unpaid dividends	**6.88**	9.40
(f)	Creditors for purchase of fixed assets	**45.37**	20.50
(g)	Other credit balances	**-**	225.84
		3,584.45	7,217.85
29.	**Other current liabilities**		
(a)	Advance received from customers	**4,743.89**	6,661.26
(b)	Dues to customers under contracts in progress	**7,977.56**	12,177.04
(c)	Pension payable under employee separation scheme	**2.13**	2.91
(d)	Employee recoveries and employer's contributions	**359.57**	759.12
(e)	Statutory dues	**153.88**	427.29
(f)	Other credit balances	**266.90**	206.94
		13,503.93	20,234.56

There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013.

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
30.	**Revenue from operations**		
(a)	Revenue from project business	**11,705.47**	23,006.30
(b)	Sale of products	**18,182.38**	19,479.95
(c)	Sale of services	**5,031.93**	1,691.33
	Revenue from operations (refer note 49)	**34,919.78**	44,177.58
31.	**Other income**		
(a)	Interest income		
	i) On income tax refunds	**13.68**	-
	ii) Others	**194.66**	81.65
(b)	Dividend income		
	i) From other non-current investments	**0.34**	0.29
(c)	Liabilities/provision no longer required written back	**810.41**	321.54
(d)	Miscellaneous income	**147.49**	85.09
	Total other income	**1,166.58**	488.57

Notes forming part of the financial statements

		For the year ended 31.03.2019	For the year ended 31.03.2018
32.	**Cost of materials consumed**		
	Raw materials consumed		
	(a) Opening stock	**3,558.46**	4,801.12
	(b) Add: Purchases	**14,003.63**	23,872.84
		17,562.09	28,673.96
	(c) Exchange difference on consolidation	**(17.95)**	30.52
		17,544.14	28,704.48
	(d) Less: Closing stock	**3,568.72**	3,558.46
	Total raw materials consumed	**13,975.42**	25,146.02
33.	**Changes in inventories of finished products, work in progress and contracts in progress**		
	Inventories and contract in progress at the beginning of the year		
	(a) Finished products	**1,353.70**	1,968.11
	(b) Work-in-progress	**2,317.77**	2,592.47
	(c) Contracts in progress	**2,647.23**	4,683.33
		6,318.70	9,243.91
	(d) Exchange difference on consolidation	**(9.72)**	(1.23)
		6,308.98	9,242.68
Inventories and contract in progress at the end of the year			
	(a) Finished products	**1,274.65**	1,353.70
	(b) Work-in-progress	**1,576.08**	2,317.77
	(c) Contracts in progress	**2,055.40**	2,647.23
		4,906.13	6,318.70
	Net (increase)/decrease	**1,402.85**	2,923.98
34.	**Employee benefit expense**		
	(a) Salaries and wages, including bonus	**4,780.45**	5,374.62
	(b) Company's contribution to provident and other funds	**723.82**	761.26
	(c) Workmen and staff welfare expenses	**477.27**	533.63
	Total employee benefit expense	**5,981.54**	6,669.51
35.	**Finance costs**		
	(a) Interest expense *	**5,817.79**	4,476.56
	(b) Other borrowing costs	**519.46**	417.94
	Total finance costs	**6,337.25**	4,894.50

* Interest expense includes Rs 8.12 lakhs interest on debt portion of 12.5% Non convertible redeemable preference shares and Rs. 781.11 lakhs paid to Tata Steel Limited for interest on Inter Corporate Deposit (Refer note no 46 & 54)

		For the year ended 31.03.2019	For the year ended 31.03.2018
36.	**Depreciation and amortisation expense**		
	(a) Depreciation and amortisation on tangible assets	**437.72**	467.02
	(b) Depreciation and amortisation on intangible assets	**24.02**	32.44
	Total depreciation and amortisation expense	**461.74**	499.46

Notes forming part of the financial statements

	For the year ended 31.03.2019 Rs. lakhs	For the year ended 31.03.2018 Rs. lakhs
37. Other expenses		
(a) Consumption of stores, spare parts and loose tools	**273.27**	457.63
(b) Repairs to buildings	**441.88**	525.36
(c) Repairs to plant and machinery	**141.07**	258.82
(d) Repairs to others	**67.66**	55.44
(e) Rent	**326.98**	376.11
(f) Power and fuel	**392.39**	427.48
(g) Rates, taxes and licenses	**595.87**	118.23
(h) Taxes and duties (net)		
i) Sales tax	**718.87**	77.52
ii) Excise duty	**-**	(273.16)
iii) Service tax	**551.83**	123.51
iv) GST	**125.61**	537.23
v) Others	**28.75**	323.95
(i) Insurance charges	**148.17**	253.87
(j) Freight and handling charges	**928.12**	1,256.18
(k) Service charges (collection and order procurement)	**44.35**	46.59
(l) Travelling, conveyance and car running expenses	**533.18**	682.92
(m) Legal and professional fees	**1,468.22**	1,403.07
(n) Deputation charges	**1,364.10**	178.68
(o) Provision for doubtful debts and advances [net of write back Rs. 1,137.54 lakhs (March 31, 2018 : Rs. 341.07 lakhs)]	**5,668.28**	6,800.23
(p) Bad debts written off	**187.18**	46.52
(q) Provision for estimated losses on onerous contracts	**-**	649.84
(r) Provision for warranty expenses	**51.54**	85.94
(s) Other general expenses		
i) Loss on foreign currency transactions (net)	**593.36**	4.37
ii) Loss on derivatives (net)	**93.11**	200.10
iii) Directors' fee	**42.82**	34.61
iv) Liquidated damages	**9.66**	-
v) Loss on sale of tangible fixed assets	**0.07**	29.81
vi) Telephone expenses	**47.35**	85.35
vii) Auditors remuneration and out-of-pocket expenses		
As Auditors - statutory audit	**112.91**	90.25
For Taxation matters	**5.76**	5.27
For Other Services	**8.94**	12.98
Auditors' out-of-pocket expenses	**2.55**	5.27
viii) Others	**421.94**	273.23
Total other expenses	**15,395.79**	15,153.20

Notes forming part of the financial statements

38. Discountinued Operations

(a) **Description :**

On March 21, 2018, in terms of the share purchase agreement dated March 21, 2018 the Group announced its intention to divest its entire stake in York Transport Equipment (Asia) Pte Ltd, a step down subisidiary of TRF Limited. The associated assets and liabilities were consequently classified as held for sale for the year ended March 31, 2018.

York Transport Equipment (Asia) Pte Ltd had been subsequently sold on April 30, 2018 and had been disclosed as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

On December 5, 2018, the Group has sold Duch Lanka Trailers Manufacturers LLC, Oman.

In year ended March 31, 2018, the Group has sold its shareholding in Aditya Automative Applications Private Limited and the same has been disclosed as discontinued operation.

(b) **Financial Performance and Cash Flow Information :**

The financial performance and cash flow information presented are for York Transport Equipment (Asia) Pte Ltd for the one month ended 30 April 2018 (31st March, 2019 column) and the year ended 31 March 2018 are provide below.

Rs. lakhs

	York Transport Equipment (Asia) Pte Ltd	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue	**4,979.80**	56,667.61
Expenses	**5,416.05**	54,689.70
Profit/(Loss) before tax from discountinued operations	**(436.25)**	1,977.91
Tax expenses:	**74.62**	1,115.99
(a) Current Tax	**67.41**	1,139.23
(b) Deferred Tax	**7.21**	(129.23)
(c) MAT Credit	**-**	105.99
Profit/(Loss) after tax from discou ntinued operations	**(510.87)**	861.93
Profit/(Loss) after tax from discountinued operations of Aditya Automotive Applications Pvt Ltd	**-**	96.96
	(510.87)	958.89
Net Cash inflow from Operating activities	**14,056.11**	904.81
Net Cash inflow from Investing activities	**(1.15)**	(257.15)
Net Cash inflow from Financing activities	**(1,930.62)**	59.87
Net increase in cash generated from discontinued operation	**12,124.34**	707.53

The difference in consideration received on disposal and value of the group's share in York Transport Equipment (Asia) Pte Ltd and Dutch Lanka Trailers Manufactures LLC, Oman amounting to Rs. 7,698.43 lakhs and (Rs. 256.45) lakhs has been accounted for as profit / (loss) on disposal of discontinued operation.

Notes forming part of the financial statements

39. Subsidiaries

Details of subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31.03.2019	As at 31.03.2018
TRF Singapore Pte Ltd	Investment Company	Singapore	100%	100%
TRF Holdings Pte Ltd	Investment Company	Singapore	100%	100%
YORK Transport Equipment (Asia) Pte Ltd *	Manufacture and distribution of axles, suspensions and other automotive components	Singapore	-	100%
YORK Transport Equipment Pty Ltd *	Manufacture and distribution of axles, suspensions and other automotive components	Australia	-	100%
YORK Sales (Thailand) Co. Ltd *	Distribution of axles, suspensions and other automotive components	Thailand	-	100%
YTE Transport Equipment (SA) (Pty) Limited *	Distribution of axles, suspensions and other automotive components	South Africa	-	100%
Rednet Pte Ltd. *	Distribution of axles, suspensions and other automotive components	Singapore	-	100%
PT YORK Engineering *	Manufacture and distribution of axles (Dormant)	Indonesia	-	100%
YTE Special Products Pte Ltd *	Distribution of axles, suspensions and other automotive components	Singapore	-	100%
Qingdao YTE Special Products Co. Ltd *	Manufacture and distribution of axles, suspensions and other automotive components	China	-	100%
YORK Transport Equipment India Pvt. Ltd *	Manufacture and distribution of axles, suspensions and other automotive components	India	-	100%
YORK Transport Equipment (Shanghai) Co. Ltd *	Manufacture and distribution of axles, suspensions and other automotive components	China	-	100%
Dutch Lanka Trailer Manufacturers Limited	Manufacture of Heavy duty trailers	Sri Lanka	100%	100%
Dutch Lanka Engineering Pvt Ltd	Manufacture of Heavy duty trailers	Sri Lanka	100%	100%
Dutch Lanka Trailers Manufactures LLC Oman*	Manufacture of Heavy duty trailers	Oman	-	70%
Hewitt Robins International Ltd	Manufacture of screens	United Kingdom	100%	100%
Hewitt Robins International Holding Ltd	Investment Company	United Kingdom	100%	100%

*The Group has divested its share in York Transport Equipment (Asia) Pte. Ltd. on 30.04.2018 and Dutch Lanka Trailers Manufactures LLC Oman on 05.12.2018.

39.01 Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal activity	Number of wholly-owned subsidiaries	
	As at 31.03.2019	As at 31.03.2018
Manufacture of heavy duty axles	**0**	6
Distribution of heavy duty axles	**0**	4
Manufacture of heavy duty trailers	**2**	3
Manufacture of screens	**1**	1
Investment activity	**3**	3

Notes forming part of the financial statements

	For the year ended 31.03.2019 Rs. lakhs	For the year ended 31.03.2018 Rs. lakhs
40. Income tax recognised in profit and loss		
Current tax		
In respect of the current year	**130.24**	169.29
In respect of prior years	**8.28**	(0.46)
	138.52	168.83
Deferred tax		
In respect of the current year	**(3.15)**	(1,971.45)
In respect of prior years	**-**	-
	(3.15)	(1,971.45)
Total income tax expense recognised in current year	**135.37**	(1,802.62)

41. Segment information

41.01 Products and services from which reportable segment derives their revenues

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Products and services
- Projects and services

The Company's Chief Operating Decision Maker is the Managing Director.

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue 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.

The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

Notes forming part of the financial statements

41.02 Segment revenue and results

	Segment revenue		Segment profit	
	Year ended 31.03.2019	Year ended 31.03.2018	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Products and Services	**24,228.70**	27,568.28	**1,759.25**	1,523.14
Projects and Services	**13,808.04**	24,865.49	**(7,895.26)**	(15,326.24)
	38,036.74	52,433.77		
Inter-segment revenue	**3,116.96**	8,256.19		
Total	**34,919.78**	44,177.58	**(6,136.01)**	(13,803.10)
Other income			**4,380.32**	973.58
Unallocated corporate costs			**(4,107.68)**	(1,191.81)
Interest costs			**(5,817.79)**	(4,476.56)
Exceptional items			**1,399.11**	–
Loss before tax			**(10,282.05)**	(18,497.89)
Tax Expense			**135.37**	(1,802.62)
Loss after tax from continuing operation			**(10,417.42)**	(16,695.27)
Profit after tax from discontinuing operation			**6,931.11**	3,283.92
Loss for the year			**(3,486.31)**	(13,411.35)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 02. Segment profit represents the profit and loss before tax earned by each segment without allocation of corporate costs, share profit of joint venture, other income, as well as interest costs. This is the measure reported to the executive management committee for the purposes of resource allocation and assessment of segment performance.

41.03 Segment assets and liabilities

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Segment assets		
Products and Services	**28,187.28**	26,077.32
Products and Services - Held for sale (note -17)	**-**	27,913.82
Projects and Services	**22,977.83**	31,017.22
Total segment assets	**51,165.11**	85,008.36
Unallocated	**16,897.21**	24,078.75
Consolidated total assets	**68,062.32**	109,087.11
Segment liabilities	**0.01**	
Products and Services	**13,779.50**	16,600.14
Products and Services - Held for sale (note -17)	**-**	29,808.70
Projects and Services	**30,407.90**	41,074.51
Total segment liabilities	**44,187.40**	87,483.35
Unallocated	**23,933.78**	41,640.83
Consolidated total liabilities	**68,121.18**	129,124.18

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than investments in joint venture and other investments, loans, financial assets and current and deferred tax assets. Goodwill is allocated to reportable segments.

Notes forming part of the financial statements

41.04 Other segment information

	Depreciation and amortisation		Addition to fixed assets	
	Year ended 31.03.2019	Year ended 31.03.2018	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Products and Services	**381.11**	399.48	**181.05**	374.65
Projects and Services	**37.91**	42.54	**3.61**	24.33
Unallocated	**42.72**	57.44	**29.06**	13.56
	461.74	499.46	**213.72**	412.54

41.05 Revenue from major products and services

		Year ended 31.03.2019	Year ended 31.03.2018
		Rs. lakhs	Rs. lakhs
a)	**Products and services**		
	Idler, rollers and components	**710.58**	2,262.61
	Sectional and Mine Conveyors	**1,874.60**	3,678.77
	Vibrating screens and components	**770.12**	1,675.14
	Crushers and components	**642.28**	1,282.36
	Miscellaneous	**6,363.12**	1,781.58
	Heavy duty trailers	**6,522.90**	5,029.90
	Screens	**4,075.41**	3,459.53
	Repair income	**152.73**	142.20
b)	**Projects and services**		
	Construction contracts and related services	**13,808.04**	24,865.49
		34,919.78	44,177.58

41.06 Geographical information

The Group operates in two geographical areas - India and Outside India

The Group's revenue from continuing operations from external customers by geographical areas of operation and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		Non-current assets	
	Year ended 31.03.2019	Year ended 31.03.2018	**Year ended 31.03.2019**	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
India	**23,705.82**	35,395.12	**10,710.91**	7,751.00
Outside India	**11,213.96**	8,782.46	**9,392.11**	17,128.13
	34,919.78	44,177.58	**20,103.02**	24,879.13

41.07 Information about major customers

Included in revenue arising from direct sales of goods and services (excluding excise duty) of **Rs 34,919.78 lakhs** (Year ended March 31, 2018: Rs 43,933.76 lakhs) are revenues of approximately **Rs. 18,602.03 lakhs** (March 31, 2018: Rs 22,402.61 lakhs) which arose of the sale to the company's top three (March 31, 2018, three) customers. No other single customer contributed 10% or more of the Company's revenue for both 2018-2019 and 2017-2018.

Notes forming part of the financial statements

42. Earnings per share

	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Basic & Diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Loss after tax for the year attributable to owners of the Company from Continuing operation	**(10,417.42)**	(16,695.27)
Weighted average number of equity shares for the purposes of basic earnings per share	**11,004,412**	11,004,412
Basic earnings per share	**(94.67)**	(151.71)
Diluted earnings per share	**(94.67)**	(151.71)
Profit after tax for the year attributable to owners of the Company from discontinued operation	**6,931.11**	3,283.92
Weighted average number of equity shares for the purposes of basic earnings per share	**11,004,412**	11,004,412
Basic earnings per share	**62.98**	29.84
Diluted earnings per share	**62.98**	29.84
Profit/(loss) after tax for the year attributable to owners of the Company from continuing and discontinued operation	**(3,486.31)**	(13,411.35)
Weighted average number of equity shares for the purposes of basic earnings per share	**11,004,412**	11,004,412
Basic earnings per share	**(31.68)**	(121.87)
Diluted earnings per share	**(31.68)**	(121.87)

The Group is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated separately.

43. Leasing Arrangements

Finance lease

The Group leased certain manufacturing equipments and motor vehicle under finance leases. The average lease term is three years. The Group's obligation under finance leases are secured by the lessor's title to the leased assets.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 9.08% to 13.37% per annum.

Finance lease liabilities

	Minimum lease payments		Present value of minimum lease payments	
	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs	**As at 31.03.2019 Rs. lakhs**	As at 31.03.2018 Rs. lakhs
Not later than one year	**9.79**	11.65	**7.21**	10.76
Later than one year and not later than five years	**19.79**	5.50	**17.78**	5.04
	29.58	17.15	**24.99**	15.80
Less: Future finance charges	**4.59**	1.35	**-**	-
Present value of minimum lease payments	**24.99**	15.80	**24.99**	15.80
Included in the consolidated financial statements as:				
- Long-term borrowings			**17.78**	5.04
- Current maturities of finance lease obligations			**7.21**	10.76
			24.99	15.80

Operating lease

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, warehouse etc). The leasing arrangements which normally have a tenure of eleven months to three years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. Lease rentals aggregating to **Rs 326.98 lakhs** are charged as rent to the statement of profit and loss (for the year March 31, 2018 Rs 376.11 lakhs)

Notes forming part of the financial statements

44. Employee Benefit plans

44.01 Defined contribution plans

The Company, its subsidiary and joint venture operating in India and subsidiaries operating in Sri Lanka provide Provident Fund facility to all employees. The Company provides superannuation benefits to selected employees. The assets of the plans are held separately from those of the Group in funds under the control of the trustees in case of trust or of the employees provident fund organisation. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The liability as on the balance sheet is ascertained by an independent actuarial valuation.

The Group has recognised an amount of **Rs. 604.38 lakhs** as expenses for the year ended March 31,2019 (For the year ended March 31, 2018: Rs.620.71 lakhs) towards contribution to the following defined contribution plans

	Year ended 31.03.2019	Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs
Provident Fund [1]	**223.74**	235.51
Employees Pension Scheme	**145.34**	144.81
Superannuation Fund	**182.32**	194.76
Employees State Insurance Scheme	**52.98**	45.63
	604.38	620.71

[1] Includes **Rs. 29.50 lakhs** (Year ended 31.03.2018: Rs. 28.54 lakhs) toward provision for shortfall in interest in the exempted provident fund trust.

44.02 Defined benefit plans

The Company, its joint venture operating in India and subsidiaries operating in Sri Lanka provide Gratuity benefit to all employees. The Company and its subsidiaries operating in Sri Lanka provides post retirement pension for retired whole-time directors. The assets of the gratuity plans are held separately from those of the Group in funds under the control of the trustees of the independent trusts or with the life insurance companies. The board of trustees of the gratuity fund composed of an equal number of representatives from both employees and employers. The board of the Fund is required by law and by the trust deed to act in the interest of the Fund and of all relevant stakeholders in the scheme. The board of trustee of the fund and management of life insurance company is responsible for the investment policy with regard to the assets of the Fund. Post retirement pension plan is not funded.

Under the gratuity plan, the employees with minimum five years of continuous service are entitled to lumpsum payment at the time of separation calculated based on the last drawn salary and number of years of service rendered with the company. Under the post retirement pension, the Company pays monthly pension to retired whole-time directors as decided by the board of directors.

These plans expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefits plans, the discount rate is determined by reference to bonds when there is deep market for such bonds. Currently, for the plan in India, it has relatively balanced mix of investments in government securities and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes forming part of the financial statements

44.02 Defined benefit plans (contd.)

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of defined benefit obligation were carried out as at March 31, 2019 by independent actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

During the year ended March 31,2019 and March 31, 2018 there was no amendment, curtailments and settlements in the gratuity plan and post retirement pension plans.

Gratuity Plan	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Movement in the fair value of the plan assets		
a) Opening fair value of plan assets	**1,287.90**	1,294.58
b) Return on plan assets greater / (lesser) than discount rate	**(41.98)**	(1.28)
c) Return on plan assets (excluding amounts included in net interest expense)	**102.39**	85.41
d) Employer's contribution	**400.00**	161.09
e) Benefits paid	**(245.21)**	(193.77)
f) Assets classified as held for sale	**-**	(58.13)
g) Plan assets received on account transferred employees	**-**	-
h) Closing fair value of plan assets	**1,503.10**	1287.90
Movement in the present value of the defined benefit obligation		
a) Opening defined benefit obligation	**1,830.55**	1,824.98
b) Current service cost	**117.36**	128.30
c) Interest cost	**128.72**	121.39
d) Remeasurement gain(loss)		
i) Actuarial (gains)loss arising from changes in demographic assumptions	**-**	-
ii) Actuarial (gains)loss arising from changes in financial assumptions	**-**	(85.21)
iii) Actuarial (gains)loss arising from experience adjustments	**(120.37)**	96.59
e) Benefits paid	**(300.07)**	(193.77)
f) Obligations classified as held for sale	**-**	(61.57)
g) Liability assumed on account transferred employees	**-**	-
h) Exchange difference on foreign plans	**(19.00)**	(0.16)
i) Closing defined benefit obligation	**1,637.19**	1,830.55
Components of defined benefit costs recognised:		
I Components of defined benefit costs recognised in profit and loss		
a) Service Costs:		
- Current service cost	**117.36**	128.30
- Past service cost and (gain)/loss from settlements		
b) Net interest expenses	**26.33**	35.98
Subtotal	**143.69**	164.28
II Components of defined benefit costs recognised in other comprehensive income		
a) Remeasurement on the net defined benefit liability:		
- Return on plan assets (excluding amounts included in net interest expense)	**41.98**	1.28
- Actuarial (gains)loss arising from changes in demographic assumptions		
- Actuarial (gains)loss arising from changes in financial assumptions	**-**	(85.21)
- Actuarial (gains)loss arising from experience adjustments	**(120.37)**	96.59
b) Adjustments for restrictions on the defined benefit asset		
Subtotal	**(78.39)**	12.66
III Total defined benefit cost recognised	**65.30**	176.94

Notes forming part of the financial statements

44.02 Defined benefit plans (contd.)

		As at 31.03.2019	As at 31.03.2018
		Rs. lakhs	Rs. lakhs
Amount recognised in the consolidated balance sheet arising from defined benefit plan obligation			
a)	Present value of funded defined benefit obligation	**1,637.19**	1,830.55
b)	Fair value of plan assets	**1,503.10**	1,287.90
c)	Funded status	**134.09**	542.65
d)	Restrictions on asset recognised	**-**	-
e)	Net liability arising from defined benefit obligation	**134.09**	542.65
Amount included in the consolidated balance sheet			
(i)	Retirement benefit asset - Non current	**-**	-
(ii)	Provision for Retirement gratuity - Current	**9.87**	10.50
(iii)	Provision for Retirement gratuity - Non-Current	**124.22**	532.15
		134.09	542.65
Fair value of plan assets			
a)	Cash and cash equivalents	**337.27**	173.84
b)	Debt instruments catergorised by issuer's credit rating		
	- Government securities (Central and State)	**149.79**	275.31
	- Corporate Bonds (AAA Rated)	**298.93**	223.97
	- Corporate Bonds (AA+ Rated)	**51.56**	-
	- Corporate Bonds (A Rated)	**-**	35.10
	- Corporate Bonds (Not Rated)	**70.25**	66.56
	Subtotal	**570.53**	600.94
c)	Equity Investments		
	- Units of Mutual Funds - Equity Funds	**169.32**	87.14
	Subtotal	**169.32**	87.14
d)	Special deposit schemes	**425.98**	425.98
		1,503.10	1,287.90
Principal assumption used for the purpose of the actuarial valuation			
a)	Discount rate	**7.50% to 11.00%**	7.50% to 10.50%
b)	Expected rate(s) of salary income	**8.00% to 9.00%**	8.00% to 9.00%

The fair value of the debt securities issued by government and corporates are determined based on quoted market prices in active markets. The fair value of investment in mutual funds are determined based on closing net asset value declared by the respective asset management company. The fair value of balance in special deposit scheme is determined based on the carrying value. The fair value of balance with insurance companies is determined based on the funds statement received from the respective insurance companies.

The actual return on plan assets was **Rs. 60.41 lakhs** (for the year ended March 31, 2018: Rs. 84.13 Lakhs)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality . The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 200.81 lakhs** (increase by **Rs. 205.75 lakhs**) [as at March 31, 2018: decrease by Rs. 105.61 lakhs (increase by Rs. 121.66 lakhs)]

If the expected salary increase growth increases (decreases) by 1%, the defined benefit obligation would increase by **Rs. 190.97 lakhs** (decrease by **Rs. 214.71 lakhs**) [as at March 31, 2018: increase by Rs. 120.67 lakhs (decrease by Rs. 107.08 lakhs)].

Notes forming part of the financial statements

44.02 Defined benefit plans (contd.)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is likely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

Post retirement pension plan

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
Movement in the present value of the defined benefit obligation			
a)	Opening defined benefit obligation	**1,011.53**	703.35
b)	Current service cost	**-**	351.32
c)	Interest cost	**72.56**	46.34
d)	Remeasurement gain/(loss)		
	i) Actuarial (gains)/loss arising from changes in demographic assumptions	**-**	-
	ii) Actuarial (gains)/loss arising from changes in financial assumptions	**-**	(27.45)
	iii) Actuarial (gains)/loss arising from experience adjustments	**(86.89)**	20.58
e)	Benefits paid	**(88.01)**	(82.61)
f)	Closing defined benefit obligation	**909.19**	1,011.53
Amount recognised in the consolidated balance sheet arising from defined benefit plan obligation			
a)	Present value of funded defined benefit obligation	**909.19**	1,011.53
b)	Fair value of plan assets	**-**	-
c)	Net liability arising from defined benefit obligation	**909.19**	1,011.53
Amount included in the consolidated balance sheet			
(i)	Current	**77.38**	86.63
(ii)	Non-Current	**831.81**	924.90
Components of defined benefit costs recognised:			
I	**Components of defined benefit costs recognised in profit and loss**		
	a) Service Costs:		
	- Current service cost	**-**	351.32
	b) Net interest expenses	**72.56**	46.34
	Subtotal	**72.56**	397.66
II	**Components of defined benefit costs recognised in other comprehensive income**		
	a) Remeasurement on the net defined benefit liability:		
	- Return on plan assets (excluding amounts included in net interest expense)	**-**	-
	- Actuarial (gains)/loss arising from changes in demographic assumptions	**-**	(27.45)
	- Actuarial (gains)/loss arising from changes in financial assumptions	**(86.89)**	20.58
	- Actuarial (gains)/loss arising from experience adjustments	**-**	-
	b) Adjustments for restrictions on the defined benefit asset	**-**	-
	Subtotal	**(86.89)**	(6.87)
III	**Total defined benefit cost recognised**	**(14.33)**	390.79

Notes forming part of the financial statements

44.02 Defined benefit plans (contd.)

Principal assumption used for the purpose of the actuarial valuation

a)	Discount rate	7.50%	7.50%
b)	Expected rate(s) of pension increase	3.00%	3.00%

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected pension increase and mortality. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant;

If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 66.12 lakhs** (increase by **Rs. 75.88 lakhs**) [as at March 31, 2018: decrease by Rs. 71.54 lakhs (increase by Rs. 81.75 lakhs)]

If the expected pension increase growth increases (decreases) by **1%**, the defined benefit obligation would increase by **Rs. 78.63 lakhs** (decrease by **Rs. 69.44 lakhs**) [as at March 31, 2018: increase by Rs. 84.92 lakhs (decrease by Rs. 75.30 lakhs)]

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is likely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

45. Financial instruments

45.01 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Group consists of net debt (borrowings as detailed in notes 21 and 25 offset by cash and bank balances) and the total equity of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows	**As at 31.03.2019**	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Debt	**23,181.72**	39,999.76
Long-term debt	**2,475.36**	3,404.55
Current borrowings	**17,174.16**	29,623.70
Current maturity of long-term debts	**3,441.06**	6,824.08
Interest accrued	**91.14**	138.03
Unpaid dividend	**6.88**	9.40
Cash and bank balances	**6,080.53**	2,189.41
Net debt	**17,101.19**	37,810.35
Total equity	**(58.86)**	(20,037.07)
Net debt to equity ratio	**(290.54)**	(1.89)

45.02 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions. The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

45.03 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and

Notes forming part of the financial statements

45.03 Market risk (contd.)

interest rates. The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

- forward foreign exchange contracts to hedge the exchange rate risk arising on the imports in Indian operations of the Company and exports from York Transport Equipment Asia Pte Limited, Singapore; and
- interest rate swaps to mitigate the risk of rising interest rates in Indian operations of the Company

45.04 Foreign currency risk management

The Group enters into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Monetary liabilities		**Monetary assets**	
	As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs	**As at 31.03.2019 Rs. lakhs**	As at 31.03.2018 Rs. lakhs
US Dollar	**3.32**	1,790.07	**2,224.20**	1,563.32
Euro in India	**18.13**	107.36	**205.26**	165.99
Singapore Dollar	**-**	1,492.91	**-**	440.79
British Pound	**2.83**	8.48	**-**	185.67
Srilankan Rupee	**341.65**	492.76	**544.07**	505.44
Indian Rupees	**136.01**	131.47	**-**	-
Australian Dollar	**-**	-	**-**	-
Chinese Yuan	**-**	-	**-**	-
Other foreign currencies	**-**	-	**-**	-
	501.94	4,023.05	**2,973.53**	2,861.21

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in exchange rate between the pairs of currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusted their translation at the period end for 10% change in foreign currency rates. The sensitivity analysis includes trade payables, receivables, external loans as well as loans within the Group where the denomination of the monetary item is in a currency other than the functional currency of the lender or the borrower.

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
INR Vs USD	Impact on profit and loss for the year	**14.61**	(60.31)
	Impact on total equity as at the end of the reporting period	**10.80**	37.69
INR Vs SGD	Impact on profit and loss for the year	**-**	44.08
	Impact on total equity as at the end of the reporting period	**-**	44.08
INR Vs Euro	Impact on profit and loss for the year	**0.70**	(9.09)
	Impact on total equity as at the end of the reporting period	**0.70**	(9.09)
INR Vs GBP	Impact on profit and loss for the year	**(0.23)**	(0.22)
	Impact on total equity as at the end of the reporting period	**(0.23)**	(0.22)
USD Vs Euro	Impact on profit and loss for the year	**(0.83)**	(1.08)
	Impact on total equity as at the end of the reporting period	**(0.60)**	(0.78)

Notes forming part of the financial statements

45.04 Foreign currency risk management (contd.)

		Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
USD Vs GBP	Impact on profit and loss for the year	**(0.05)**	(0.62)
	Impact on total equity as at the end of the reporting period	**(0.04)**	(0.45)
USD Vs LKR	Impact on profit and loss for the year	**20.22**	1.25
	Impact on total equity as at the end of the reporting period	**14.56**	0.90
GBP Vs Euro	Impact on profit and loss for the year	**20.24**	16.03
	Impact on total equity as at the end of the reporting period	**16.39**	12.83
SGD Vs USD	Impact on profit and loss for the year	**221.06**	200.08
	Impact on total equity as at the end of the reporting period	**221.06**	200.08
SGD Vs LKR	Impact on profit and loss for the year	**0.02**	0.02
	Impact on total equity as at the end of the reporting period	**0.02**	0.02
SGD Vs GBP	Impact on profit and loss for the year	**-**	18.57
	Impact on total equity as at the end of the reporting period	**-**	18.57

45.05 Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts.

45.06 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company mainly transacts with Government agencies and Enterprises owned by Central and State Governments. Other entities in the Group only transact with entities that are rated the equivalent of investment grade and above. The Group uses other publically available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of the counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

45.07 Liquidity risk management

The responsibility for managing liquidity risk rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve

Notes forming part of the financial statements

45.07 Liquidity risk management (contd.)

borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

i) Liquidity and interest risk tables

The following table detail the maturity profile of Group's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	Carrying amount	Contracted Cash Flows	Less than 1 month	1 - 3 months	3 months to 1 year	1 to 5 years	> 5 years
As at 31.03.2019							
Borrowings	**23,065.59**	**46,195.56**	**13,222.87**	**1,688.20**	**6,176.70**	**107.79**	**25,000.00**
Finance lease liability	**24.99**	**29.58**	**-**	**-**	**9.79**	**19.79**	**-**
Derivative liabilities	**2.02**	**2.02**	**-**	**2.02**	**-**	**-**	**-**
Trade Payables	**25,542.32**	**25,653.43**	**9,064.35**	**7,812.10**	**4,277.30**	**4,428.28**	**71.40**
Other financial liabilities	**151.51**	**765.24**	**162.31**	**-**	**0.92**	**602.01**	**-**
	48,786.43	**72,645.83**	**22,449.53**	**9,502.32**	**10,464.71**	**5,157.87**	**25,071.40**
As at 31.03.2018							
Borrowings	39,836.53	41,112.90	27,772.20	4,112.67	5,599.16	3,628.87	-
Finance lease liability	15.80	17.15	-	2.75	8.83	5.57	-
Derivative liabilities	5.30	5.30	-	-	5.30	-	-
Trade Payables	30,865.27	30,865.27	21,425.78	6,963.82	118.03	2,357.63	-
Other financial liabilities	393.77	393.77	368.76	25.01	-	-	-
	71,116.67	72,394.39	49,566.74	11,104.25	5,731.32	5,992.07	-

Note : The maturity pattern of the borrowings incorporates interest payable at the respective interest rates up to the period of maturity of loan.

ii) Group's borrowing facilities

The following table details the Group's borrowing facilities that are available for future operating activities and to settle capital commitments

	As at 31.03.2019	As at 31.03.2018
	Rs. lakhs	Rs. lakhs
Secured bank overdraft/working capital demand loan facility reviewed annually and payable at call		
- amount used	**16,891.42**	27,353.82
- amount unused	**6,403.45**	110.42
	23,294.87	27,464.24
Secured loans with various maturity dates which may be extended by mutual consent		
- amount used	**282.74**	2,269.88
- amount unused	**141.94**	14.02
	424.68	2,283.90
Secured bill acceptance facility from bank reviewed annually and payable at call		
- amount used	**-**	-
- amount unused	**-**	1,000.00
	-	1,000.00

Notes forming part of the financial statements

45.08 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.18 to 2.20.

Financial Assets and Liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	As at March 31, 2019				
	Fair Value through Profit and Loss	**Fair Value through OCI**	**Amortised Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets:					
Investment in Joint venture	**-**	**-**	**2,736.94**	**2,736.94**	**2,736.94**
Other Investment in quoted equity instrument	**-**	**57.91**	**-**	**57.91**	**57.91**
Other Investment in unquoted equity instrument	**-**	**0.30**	**-**	**0.30**	**0.30**
Trade receivables	**-**	**-**	**29,927.14**	**29,927.14**	**29,927.14**
Cash and cash equivalents	**-**	**-**	**3,042.27**	**3,042.27**	**3,042.27**
Other bank balances	**-**	**-**	**3,038.26**	**3,038.26**	**3,038.26**
Other financial assets	**-**	**-**	**1,149.42**	**1,149.42**	**1,149.42**
Total	**-**	**58.21**	**39,894.03**	**39,952.24**	**39,952.24**
Financial Liabilities:					
Trade payable	**-**	**-**	**25,542.32**	**25,542.32**	**25,542.32**
Long term borrowings	**-**	**-**	**2,475.36**	**2,475.36**	**2,475.36**
Short Term borrowings	**-**	**-**	**17,174.16**	**17,174.16**	**17,174.16**
Derivative financial liabilities	**2.02**	**-**	**-**	**2.02**	**2.02**
Other financial liabilities	**-**	**-**	**3,592.57**	**3,592.57**	**3,592.57**
Total	**2.02**	**-**	**48,784.41**	**48,786.43**	**48,786.43**

	As at March 31, 2018				
	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets:					
Investment in Joint venture	-	-	1,842.86	1,842.86	1,842.86
Other Investment in quoted equity instrument	-	47.28	-	47.28	47.28
Other Investment in unquoted equity instrument	-	0.28	-	0.28	0.28
Trade receivables	-	-	38,021.34	38,021.34	38,021.34
Cash and cash equivalents	-	-	1,421.31	1,421.31	1,421.31
Other bank balances	-	-	768.10	768.10	768.10
Other financial assets	-	-	1,055.13	1,055.13	1,055.13
Derivative assets	96.39	-	-	96.39	96.39
Total	96.39	47.56	43,108.74	43,252.69	43,252.69
Financial Liabilities:					
Trade payable	-	-	30,865.27	30,865.27	30,865.27
Long term borrowings	-	-	3,404.55	3,404.55	3,404.55
Short term borrowings	-	-	29,623.70	29,623.70	29,623.70
Derivative financial liabilities	5.30	-	-	5.30	5.30
Other financial liabilities	-	-	7,217.85	7,217.85	7,217.85
Total	5.30	-	71,111.37	71,116.67	71,116.67

Notes forming part of the financial statements

45.08 Fair value measurements (contd._

Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Rs. lakhs

	As at March 31, 2019			**Total**
	Level 1	**Level 2**	**Level 3**	
Financial assets:				
Derivative financial assets	**-**	**-**	**-**	**-**
Other investments classified as fair value through OCI - Non current	**57.91**	**-**	**0.30**	**58.21**
	57.91	**-**	**0.30**	**58.21**
Financial Liabilities				
Derivative financial liabilities	**-**	**2.02**	**-**	**2.02**
	-	**2.02**	**-**	**2.02**
	57.91	**(2.02)**	**0.30**	**56.19**

	As at March 31, 2018			Total
	Level 1	Level 2	Level 3	
Financial assets:				
Derivative financial assets	-	96.39	-	96.39
Other investments classified as fair value through OCI - Non current	47.28	-	0.28	47.56
	47.28	96.39	0.28	143.95
Financial Liabilities				
Derivative financial liabilities	-	5.30	-	5.30
	-	5.30	-	5.30
	47.28	91.09	0.28	138.65

Notes forming part of the financial statements

46. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and hence are not disclosed. Details of transactions between the Group and other related parties are disclosed below:

46.01 List of related parties and relationship

Name of the related party	Nature of Relationship
Adithya Automotive Applications Private Limited (Ceased w.e.f 4th Feb, 2018)	Jointly controlled entity
Tata International DLT Private Limited	Jointly controlled entity
Tata Steel Limited	Promoter Company holding more than 20%
Key Managerial Person	
Mr Sumit Shubhadarshan	Managing Director w.e.f 15.09.2018
Mr Sanjay Rajoria	Managing Director till 14.09.2018
Mr Rajesh Ranjan Jha	Non Executive Directors
Mr Ranaveer Sinha	Non Executive Directors
Mr Dipankar Chatterji	Non Executive Directors
Mr Sabyasachi Hajara	Non Executive Directors
Ms Neera Saggi	Non Executive Directors
Mr Vinayak Kashinath Deshpande	Non Executive Directors
Mr Ranganath Raghupathy Rao	Non Executive Directors
Mr Vinayak Kashinath Deshpande	Non Executive Directors
Mr K.S.Mathai Mathew	Chief Financial Officer till 25.10.2018
Mr Shaktishree Das	Chief Financial Officer w.e.f. 16.01.2019
Mr Tarun Kumar Srivastava	Company Secretary till 15.05.2018
Mr Pankaj Kumar Choubey	Company Secretary from 27.07.2018 to 10.01.2019
Mr Subhashish Datta	Company Secretary w.e.f 11.01.2019

Notes forming part of the financial statements

46.02 Trading transactions

	Sale of Goods and Services		Purchase of goods and Services	
	For the Year ended 31.03.2019	For the Year ended 31.03.2018	**For the Year ended 31.03.2019**	For the Year ended 31.03.2018
	Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
Goods				
Tata Steel Limited	**2,366.80**	5,861.17	**265.53**	1,563.78
Tata International DLT Private Limited	**1,730.67**	13,745.46	**-**	-
Various Services				
Tata Steel Limited - Management Service-Others	-	-	**1,463.94**	200.66
Tata Steel Limited - Other Sevices	**4,509.34**	-	**494.62**	469.12

46.03 Outstanding balances at the end of the reporting period

		Amounts owed by related parties		Amounts owed to related parties	
		As at 31.03.2019	As at 31.03.2018	**As at 31.03.2019**	As at 31.03.2018
		Rs. lakhs	Rs. lakhs	**Rs. lakhs**	Rs. lakhs
(i)	**Trade receivables**				
	Tata Steel Limited	**2,175.41**	1,430.17	-	-
	Tata International DLT Private Limited	**-**	2,038.67	-	-
(ii)	**Trade payables**				
	Tata Steel Limited	-	-	**506.76**	544.97
(iii)	**12.5% Non Convertible redeemable preference shares payable to Tata Steet Limited (including interest)**	**-**	**-**	**2,378.89**	-
(iv)	**Claims against the company not acknowledged as debt**				
	Tata Steel Limited (Net of advances)	**737.95**	3089.92	-	-

			As at 31.03.2019	As at 31.03.2018
			Rs. lakhs	Rs. lakhs
47.	**Commitments**			
	(a)	Capital Commitments		
		Estimated amount of contracts remaining to be executed on capital account and not provided for	**151.55**	129.92
	b)	Other commitments		
		Estimated amount of letter of credit issued in favour of vendors for supply of materials and not provided for	**241.01**	-

Notes forming part of the financial statements

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
48.	**Contingent liabilities**		
a)	Sales tax matters in dispute relating to issues of applicability and classification In respect of the above sales tax matters in dispute, the Company has deposited **Rs. 290.81 lakhs** (31.03.2018: Rs.124.89 lakhs) against various orders, pending disposal of the appeals. This amount is included under Note 9 - Other non-current assets	**4,037.32**	2,607.26
b)	Excise duty and service tax matters in dispute relating to applicability and classification In respect of the above excise and service tax matters in dispute, the Company has deposited **Rs. 173.90 lakhs** (31.03.2018: Rs 172.23 lakhs) against various orders, pending disposal of the appeals. This amount is included under Note 9 - Other non-current assets	**4,094.86**	4,631.97
c)	Income tax matters in dispute	**3,567.38**	4,502.01
d)	Claims against the Company not acknowledged as debt (Primarily of liquidated damages and other claims made by customers)	**3,657.28**	6,512.34
e)	Bank Guarantee	**-**	137.76
f)	Letter of Support (USD 2 million) provided to SAF Holland in accordance with agreement dated March 21, 2018	**1,383.43**	-
g)	Others Future cash outflows in respect of above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities	**33.42**	33.42

Also refer Note 57 regarding management's assessment on certain matters relating to provident fund.

49. Revenue from Contracts with Customers

49.01 Disaggregation of revenue from contracts with customers.

Particulars	**Products and Services Rs. lakhs**	**Projects and Services Rs. lakhs**
Segment Revenue	**24,228.70**	**13,808.04**
Inter Segment revenue	**3,116.96**	
Revenue from external customer	**21,111.74**	**13,808.04**
Timining of Revenue Recognition		
At a point in time	**16,837.23**	**1,345.16**
Over time	**4,274.51**	**12,462.88**
	21,111.74	**13,808.04**

Notes forming part of the financial statements

49.02 Assets and liabilities related to contractors with customers	Note	As at 31.03.2019 Rs. lakhs	As at 01.04.2018 Rs. lakhs
Contract Assets			
Trade receivables (net)	12	**29,927.14**	38,021.34
Work in progress	11	**1,576.08**	2,317.77
Contract work in progress	11	**2,055.40**	2,647.23
Finished goods Inventory	11	**1,274.65**	1,353.70
Unbilled Revenue	14	**594.86**	139.03
Total Contract assets		**35,428.13**	44,479.07
Contract Liabilities			
Advance received from customers	29	**4,743.89**	6,661.26
Dues to customers under contracts in progress	29	**7,977.56**	12,177.04
		12,721.45	18,838.30

49.03 Revenue recognised in relation to contract liabilities	Rs. lakhs
Revenue recognised that was included in the contract liability balance at the beginning of the period	4,199.48
	4,199.48

49.04 Unserved long-term contracts

a) Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied as at March 31, 2019 **28,100.00**

b) The management expects that **85%** of the transaction price allocated to the unsatisfied to contracts as on March 31, 2019 will be recognised as revenue during the next reporting period (**Rs 23,885 lakhs**). The remaining 15%will be recognised in the financial year 2021-22

50.01 Unsatisfied long-term contracts	Year ended 31.03.2019 Rs. lakhs	Year ended 31.03.2018 Rs. lakhs
a) Opening balance as at beginning of the year	**337.54**	443.33
b) Provision recognised during the year	**51.54**	85.94
c) Provision utilised for meeting warranty costs	**(50.78)**	(64.02)
d) Exchange difference on consolidation	**(1.34)**	20.38
e) Provision classified as held for sale (Opening)	**-**	(148.09)
f) Closing balance as at the end of the year (refer Note 23)	**336.96**	337.54

50.02 Provision has been made for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2019. Refer Note 37.

Notes forming part of the financial statements

51. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

		As at 31.03.2019 Rs. lakhs	As at 31.03.2018 Rs. lakhs
a)	Principal amount remaining unpaid to the suppliers as at the end of the accounting year	**762.05**	437.71
b)	Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	**904.60**	96.77
c)	Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	**-**	-
d)	Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	**275.90**	39.04
e)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**1,116.17**	118.32

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

52. The Holding Company has incurred loss after tax of **Rs 10,556.90 lakhs** during the year ended March 31, 2019 (March 31, 2018: Rs 14,597.65 lakhs) and accumulated losses as of the Balance Sheet date amounting to **Rs 45,428.99 lakhs**, (March 31, 2018 Rs 35,043.77 lakhs) has eroded the net worth of the company. The company expects to generate cash flow from improvements in operations resulting from favourable macroeconomic condition, increased business with the promoter entity, increased activities in the product segment, increased efficiencies from the project activities (refer Note 53), proceeds from restructuring of its subsidiaries and renewal of the facilities from banks as an when they fall due etc. which will be sufficient to meet future obligation of the company. Accordingly, these financial statements have been prepared on a going concern basis.

53. Revenue from construction contracts are recognized on percentage completion method. The estimated cost to complete the contracts is arrived at based on technical data, forecast, assumptions and contingencies and are based on the current market price or firm commitments, as applicable. Such estimates are subject to variations. Variations in the current year are mainly due to new purchase orders raised by the Company on the vendors because they did not agree to perform the work at the originally agreed rate both for material and labour and in some of the cases old vendors were replaced with new vendors with different commercial terms and condition to expedite the completion of the project.

54. During the year the company has issued 12.5% Non convertible redeemable preference shares ('NCRPS') of Rs 25,000 lakhs, divided in to 25,00,00,000 preference shares of Rs 10 each to Tata Steel Limited, on private placement basis. NCRPS are in nature of compound financial instrument, accordingly the liability portion amounting to Rs. 2,370.77 Lakhs has been disclosed under long term borrowings (refer Note 21) and residual portion of Rs. 22,629.23 lakhs has been disclosed under other equity (refer Note 19).

55. (a) York Transport Equipment (Asia) Pte. Ltd., a step down subsidiary of the Company along with its subsidiaries has been sold on April 30, 2018 for a consideration of Rs. 29,087.69 lakhs. Consequently, the loss from operations amounting to Rs. 510.87 lakhs upto date of sale has been disclosed under loss from discontinued operations. The profit on sale of subsidiary amounting to Rs. 7,698.43 lakhs has been disclosed as exceptional item.

(b) During the year, the Company has sold Dutch Lanka Trailers Manufacturs LLC, Oman, a step down subsidiary, at book value resulting in a loss of Rs. 256.45 lakhs.

(c) As at 31st March 2019, TRF Singapore Pte Ltd's ("TRF Singapore") investment in Dutch Lanka Trailer Manufacturers Limited, is carried at net book value of S$ 15,415,776 on the Company's balance sheet included in the financial information. No further impairment has been provided against this carrying amount as the directors are of the view that the carrying amount is recoverable.

(d) Remuneration to Managing Director amounting to Rs 65.63 lakhs (Refer note 41.01) has been approved by the Board of Directors and is subject to approval from shareholders.

Notes forming part of the financial statements

56. The Company has submitted application to RBI in 2013 for capitalisation of corporate guarantee fee (SGD 1,51,230) and interest on loan (USD 7,19,461 and SGD 7,36,637) receivable from TRF Singapore Pte Limited. The same has been approved by RBI vide letter dated 11th September, 2018 subject to compounding for non-compliance with Regulation 15(ii) for Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004. The Company has filed a compounding application on 12th October, 2018, however RBI has advised to resubmit the application after winding up one of its step down subsidiaries.

57. The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of 'Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal' and the related circular (Circular No. C-I/1(33)2019/ Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of 'basic wages' of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on the initial assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have significant impact and accordingly, no provision has been made in these Financial Statements at this stage.

58. Additional information to the financial statements

Statement of net assets, Share of profit and loss, Share of other and total comprehensive income **Rs. lakhs**

	Name of Equity in the Group		Net Assets, ie., total assets minus total liabilities		Share in profit and loss		Share of other comprehensive income		Share of total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
A	**Parent**									
	TRF Limited	INR	(40.22%)	(6,710.73)	729.22%	(10,556.90)	(5.9%)	182.31	227.43%	(10,374.59)
B	**Subsidiaries**									
	a) Indian									
	1. YORK Transport Equipment India Pvt. Ltd	INR	0.00%	-	(8.77%)	127.00	0.0%	-	(2.78%)	127.00
	b) Foreign									
	1. TRF Singapore Pte Ltd	SGD	79.42%	13,249.69	(138.33%)	2,002.58	77.0%	(2,396.28)	8.63%	(393.70)
	2. TRF Holding Pte Ltd	USD	0.01%	0.97	(308.82%)	4,470.84	9.4%	(292.48)	(91.60%)	4,178.36
	3. YORK Transport Equipment (Asia) Pte Ltd*	USD	0.00%	-	10.91%	(157.97)	11.2%	(349.93)	11.13%	(507.90)
	4. YORK Transport Equipment Pty Ltd	AUD	0.00%	-	1.15%	(16.59)	0.0%	-	0.36%	(16.59)
	5. YORK Sales (Thailand) Co. Ltd	THB	0.00%	-	6.01%	(87.04)	0.0%	-	1.91%	(87.04)
	6. YTE Transport Equipment (SA) (Pty) Limited	ZAR	0.00%	-	0.47%	(6.79)	0.0%	-	0.15%	(6.79)
	7. Rednet Pte Ltd	USD	0.00%	-	0.01%	(0.15)	0.0%	-	0.00%	(0.15)
	8. PT YORK Engineering	IDR	0.00%	-	0.00%	-	0.0%	-	0.00%	-
	9. YTE Special Products Pte Ltd	USD	0.00%	-	(0.21%)	3.02	0.0%	-	(0.07%)	3.02
	10. Qingdao YTE Special Products Co. Ltd	RMB	0.00%	-	14.82%	(214.61)	0.0%	-	4.70%	(214.61)

Notes forming part of the financial statements

	Name of Equity in the Group		Net Assets, ie., total assets minus total liabilities		Share in profit and loss		Share of other comprehensive income		Share of total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	11. YORK Transport Equipment (Shanghai) Co. Ltd	RMB	0.00%	-	0.49%	(7.12)	0.0%	-	0.16%	(7.12)
	12. Dutch Lanka Trailer Manufacturers Limited	USD	14.25%	2,377.35	(76.46%)	1,106.90	1.9%	(60.18)	(22.95%)	1,046.72
	13. Dutch Lanka Engineering Pvt Ltd	LKR	2.82%	470.99	(2.02%)	29.20	2.0%	(61.53)	0.71%	(32.33)
	14. Dutch Lanka Trailers Manufactures LLC	OMR	0.00%	-	4.75%	(68.79)	0.0%	-	1.51%	(68.79)
	15. Hewitt Robins International Ltd	GBP	26.92%	4,491.15	(34.03%)	492.64	4.3%	(134.34)	(7.85%)	358.30
	16. Hewitt Robins International Holding Ltd	GBP	0.40%	67.04	0.00%	-	0.0%	-	0.00%	-
C	**Joint Venture**									
	a) Indian									
	1. Tata International DLT Private Limited	INR	16.41%	2,737.30	(99.20%)	1,436.07	0.05%	(1.48)	(31.45%)	1,434.59
	Total		100.0%	16,683.75	100.0%	(1,447.70)	100.0%	(3,113.91)	100.0%	(4,561.61)
D	**Adjustments due to Consolidation**			16,742.61		2,009.13		(3,841.28)		(1,832.15)
E	**Minority Interest**									
	a) Foreign subsidiary									
	1. Dutch Lanka Trailers Manufactures LLC*	OMR	-	-	-	(29.48)	-	-	-	(29.48)
F.	**Consolidated Net Assets/Profit/(Loss) after tax**			(58.86)		(3,486.31)		727.37		(2,758.94)

*Refer Note 38.

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

60. Approval of financial statements.

The financial statements were approved for issue by the Board of Directors on April 15, 2019.

In terms of our report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
Firm Registration No. : 304026E / E-300009
Sougata Mukherjee
Partner (Membership no. : 057084)
Kolkata
15th April, 2019

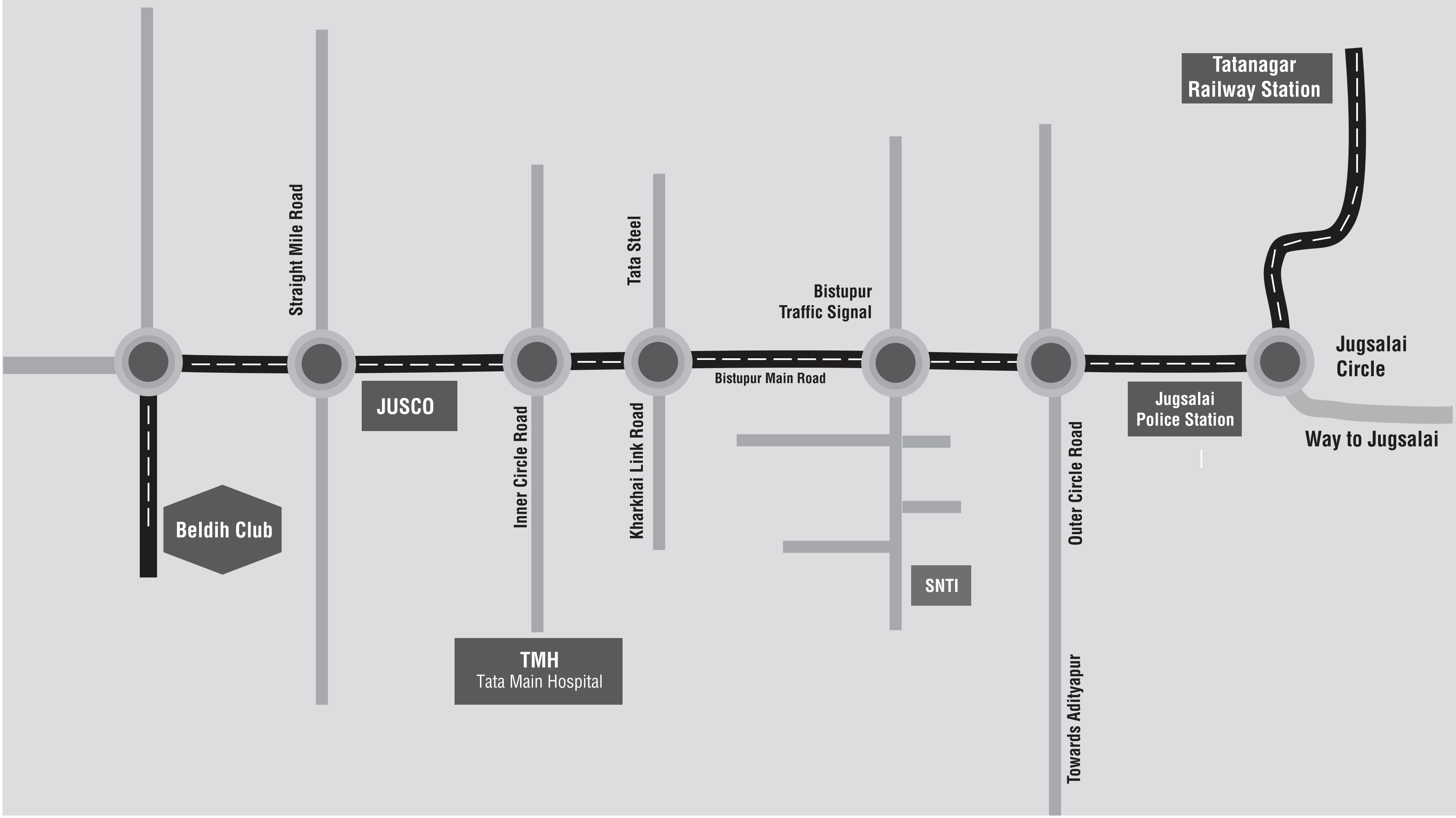
For and on behalf of the Board of Directors

Rajesh Ranjan Jha — *Chairman*
Sumit Shubhadarshan — *Managing Director*
Shaktishree Das — *Chief Financial Officer*
Subhashish Datta — *Company Secretary*

Kolkata
15th April, 2019

Route Map for AGM Venue

July 12, 2019 - Beldih Club

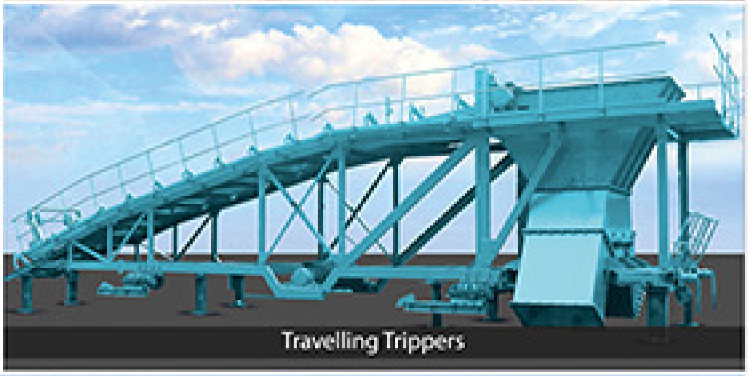


Rotary Plough Feeders

Travelling Wagon Loaders

NTPC, Mouda Site

Barrel Reclaimers



Travelling Trippers

NPGC, Nabinagar Site

CSR & Employee Engagement

Registered Offices and Works

11, Station Road, Burmamines, Jamshedpur - 831007, Jharkhand, India
Ph No : (0657) 3046326 / 250 / 500, Fax : (0657) 2345732
E-mail : investors@trf.co.in
www.trf.co.in

TRF Limited

A TATA Enterprise

(CIN : L74210JH1962PLC000700)
Registered Office : 11, Station Road, Burmamines, Jamshedpur — 831 007
Tel: 91 657 3046326 Fax 91 657 2345732 Website: www.trf.co.in; email : comp_sec@trf.co.in

ATTENDANCE SLIP

(To be presented at the entrance duly signed

I hereby record my presence at the **FIFTY-SIXTH ANNUAL GENERAL MEETING** of TRF Limited to be held at Main Hall, Beldih Club, Northern Town, Bistupur, Jamshedpur- 831 001 on Friday, July 12, 2019 at 12.30 p.m.

SIGNATURE OF THE ATTENDING MEMBER / PROXY : ____________________

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password

Note: Please refer to the instructions printed under the Notes to the Notice of the 56th Annual General Meeting. The voting period starts from 9.00 am on Tuesday, the 9th July, 2019 and ends at 5.00 pm on Thursday, the 11th July, 2019. The voting portal shall be disabled by NSDL for voting thereafter.

TRF Limited

A TATA Enterprise

(CIN : L74210JH1962PLC000700)
Registered Office : 11, Station Road, Burmamines, Jamshedpur — 831 007
Tel: 91 657 3046326 Fax 91 657 2345732 Website: www.trf.co.in; email : comp_sec@trf.co.in

PROXY FORM

Name of the member(s) :

Registered address :

E-mail ID :

Folio No/Client ID :

I/We being the member(s) of ____________ Shares of TRF Limited, hereby appoint :

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

2. Name :
   Address :
   E-mail ID :
   Signature : or failing him

3. Name :
   Address :
   E-mail ID :
   Signature :

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifty-Sixth Annual General Meeting of the Company to be held on Friday, the 12th July, 2019 at 12.30 p.m at Main Hall, Beldih Club, Northern Town, Bistupur, Jamshedpur- 831 001 and at any adjournment thereof in respect of such resolutions as are indicated below::-

Ordinary Business:

1. **Adoption of Audited Standalone Financial Statements**
   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. **Adoption of Audited Consolidated Financial Statements**
   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon.
3. **Re-appointment of a Director**
   To appoint a Director in place of Mr. Vinayak Kashinath Deshpande (DIN: 00036827), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Special Business:

4. Appointment of **Mr. Raghupathy Rao Ranganath** (DIN: 06725337) as a Director
5. Re-appointment of **Mr. Ranaveer Sinha** (DIN:00103398) as an Independent Director
6. Appointment of **Mr. Sumit Shubhadarshan** (DIN: 07004155) as a Director
7. Appointment of **Mr. Sumit Shubhadarshan** (DIN: 07004155) as Managing Director
8. Winding up of TRF Holdings Pte. Limited (a wholly owned subsidiary in Singapore)
9. Ratification of remuneration of Cost Auditors

Affix Rupee One Revenue Stamp

Signature across the stamp

Signed this……. day of …………………………………, 2019

Signature of the shareholder : …………………………………… Signature of Proxy holder(s) : ……………………………………

Note:

1. This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 11, Station Road, Burmamines, Jamshedpur, Jharkhand - 831007, not less than 48 hours before the commencement of the Meeting.
2. Members are requested to Select by placing a tick (✓) mark against the resolution. It is optional for the member to indicate his/her preference. In case no specific direction is given, your Proxy may vote or abstain as he/she thinks fit.

TRF LIMITED

a) Voting through electronic means

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their rights to vote at the 56th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Tuesday, July 9, 2019 (9:00 am) and ends on Thursday, July 11, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 5, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The instructions for e-voting are as under:

The instructions for shareholders for e-voting are as under:

a) In case a shareholder receiving e-mail from NSDL or is already registered for e-voting:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

<u>How to Log-into NSDL e-Voting website ?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will direct you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. "TRF remote e-Voting.pdf' file. Open the "TRF remote e-Voting.pdf' file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**<u>Forgot User Details/Password</u>**?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **<u>Physical User Reset Password</u>**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the Votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

<u>How to cast your vote electronically on NSDL e-Voting system ?</u>

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

OTHER INSTRUCTIONS:

VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pramodkumar.pcs@gmai.com with a copy marked to evoting@nsdl.co.in.

VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

VIII. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.cc.in.

IX. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 5, 2019.

XII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. July 5, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XIII. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XIV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XV. Mr P K Singh, Practicing Company Secretary (Membership No. FCS- 5878 & C.P. No.19115 or failing him Mr Rohit Prakash Prit (Membership No. ACS-33602 & C.P. No. 16213) Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

XVI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XVII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVIII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.trf.co.in and on the website of NSDL immediately on declaration of results by the Chairman or by the person authorized by him in writing and shall also be immediately communicated to the Stock Exchanges where the company's shares are listed.