



TRF Limited
A **TATA** Enterprise



PARTNERS IN MATERIAL HANDLING

Apron Feeders Washery Screens Jaw Crushers Inclined Screen Hammer Mills
Grizzly Feeders Belt Feeders Material Handling Solutions Trullo Ultra Flo Vibro Pulse
Rotary Plough Feeders Roll Crushers Level Luffing Cranes BOP Shuttle Conveyors
Foundry Equipment Apron Feeders Bivitec Screens Travelling Wagon Loaders Rotary Breakers
Material Handling Solutions BOP Impactors Coal Handling Plants BOP
Apron Feeders Washery Screens Jaw Crushers Inclined Screen Vibrating Feeders
Grizzly Feeders Belt Feeders Material Handling Solutions
Rotary Plough Feeders Roll Crushers Material Handling Solutions
Horizontal Screen Apron Feeders Bivitec Screens Travelling Wagon Loaders Mobile Crusher
Trullo Ultra Flo Foundry Equipment Stacker Reclaimers Eliplex Mechanism Idlers Jaw Crusher
Dewatering Screen Material Handling Solutions Mobile Crusher Travelling Trippers
Travelling Trippers Coal Handling Plants Coal Handling Plants Screens Roller
Vibro Pulse Screens Roller Trullo Ultra Flo Rotary Breakers Coal Handling Plants
Jaw Crusher Vibrex Mechanism Material Handling Solutions BOP Ring Granulators
Vibrating Feeders Load Haul Dumpers Stacker Reclaimers Coal Handling Plants
Coal Handling Plants Unbalanced Motor Cone Crusher Material Handling Solutions
Quad-V Mechanism Wagon Tippler with Side Arm Charger BOP
Material Handling Solutions Idlers BOP Impactors Shuttle Conveyors Load Haul Dumpers Side Discharge Loaders
Coal Handling Plants Vibrex Mechanism Ring Granulators Stacker Reclaimers

48th ANNUAL REPORT

2010 - 2011

TOWARDS EXCELLENCE

Vision 2013

We will grow five times in five years and become a Rs. 2500 crore company by 2013, by enhancing focus on material handling business and entering new businesses as necessary.

We will expand our business on a sustainable basis by building a team that is passionate about serving all its stakeholders and is committed to making Trust, Respect and Fellowship, a way of life.

Values

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

- Trust
- Respect
- Fellowship
- Excellence
- Responsibility

Mission

Business Principles

- Sense of urgency
- Continuous Improvement
- Consistency and detail

Quality Policy

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



Climate Change Policy for Tata Companies

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

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

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

October, 2009


Ratan N. Tata
Chairman, Tata Sons



TRF - Safety, Health & Environment Policy

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

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

February 8, 2010


Managing Director
TRF Limited



BOARD OF DIRECTORS



Dr. J. J. Irani



Mr. S. J. Ghandy



Mr. S. K. Bhargava



Mr. B. D. Bodhanwala



Mr. R. P. Singh



Mr. Ranaveer Sinha



Mr. R. V. Raghavan



Mr. Dipankar Chatterji



Mr. Sudhir Deoras
Managing Director



A JOURNEY OF GROWTH

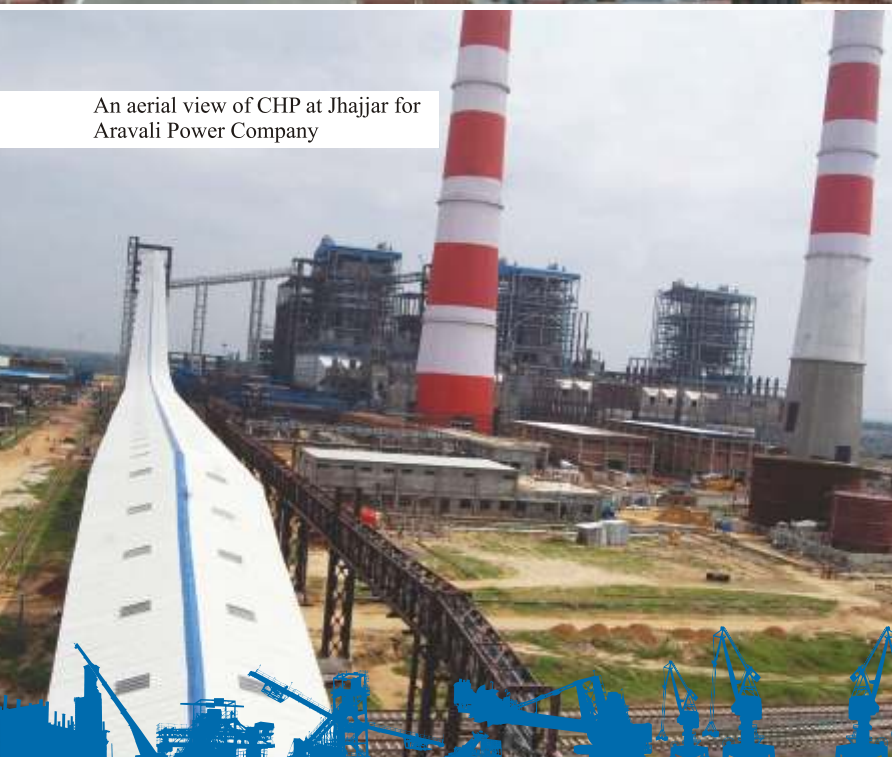


Ground
Breaking for
New Bay

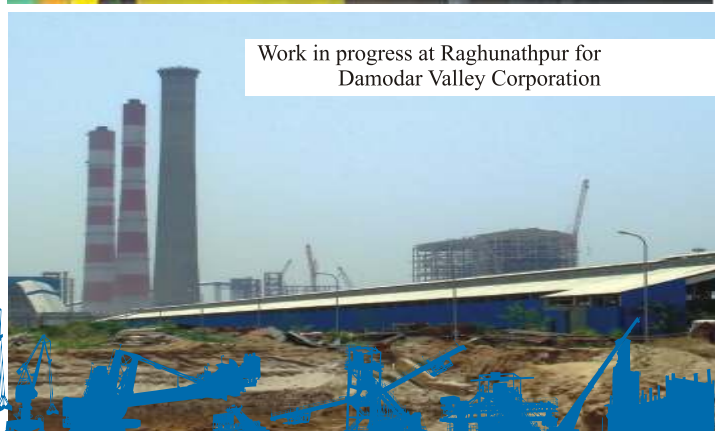


Upcoming New Bay at Jamshedpur Works

An aerial view of CHP at Jhajar for
Aravali Power Company



Installation of state-of-the-art
automatic cutting machine



Work in progress at Raghunathpur for
Damodar Valley Corporation

SUBSIDIARIES & JOINT VENTURE



Mr. S Deoras, MD handling over key to a DLT customer at its CKD Assembly unit



York's product from new plant near Pune



A view of Adithya Automobiles shopfloor in Lucknow



York product



Dr. JJ Irani, Chairman, Flagging off an HRIL Mobile Crusher



Dr JJ Irani speaking at the inauguration of Adithya Automotive Applications plant

YORK
Transport Equipment

DUTCH LANKA TRAILERS®



ADITHYA
Automotive Applications

HEWITT  **ROBINS**



CORPORATE SUSTAINABILITY



Solar Lanterns being distributed



Solar Lantern beneficiaries



Health Camp Initiative by TRF Ladies Association



Rain Water Harvesting inaugurated by Dr JJ Irani



Rain Water Distribution to the people in need



Cataract Operation Camp



AWARDS & RECOGNITION



Tata Innovista 2010
Recognition for innovation
in design of approach to
track hopper



Gold Award conferred by Association of
Business Communicators of India for
corporate communication



Recognition by Voluntary
Blood Donor's Association to
TRF Ladies Association "One
Day Ladies Best Camp"



Recognition by Jharkhand State AIDA
Control Society and Department of
Health & Family Welfare for corporate
responsibility initiatives



Bronze Award conferred by
Association of Business
Communicators of India for
corporate communication



Recognition for CII workskills
work competition



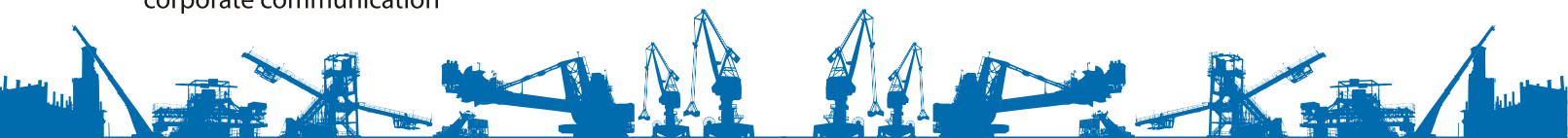
ranked
42
amongst 500
mid-size
enterprises in
India

DALAL
INVESTMENT JOURNAL
STREET

ranked
51
among 400 mid-cap
companies in India


MAHAGENCO
Maharashtra State Power Generation Co. Ltd.

Award for good housekeeping
to TRF's Bhusawal site by
MAHAGENCO



Management

(As on May 12, 2011)

Mr. Sudhir Deoras	Managing Director
Mr. Hemant C. Kharkar	Chief Operating Officer
Mr. Ashim Roy	General Manager (Finance & Accounts)
Mr. P. K. Tibdewal	Chief, BMHE & P&YE
Mr. P. P. Deshmukh	Chief, BMHS
Mr. Ranjit Sanyal	Chief, Balance of Plant
Mr. Ashish Banerjee	Chief Technology Officer
Mr. Prashant Kumar	Company Secretary

Registered Office

11, Station Road, Burma Mines, Jamshedpur - 831 007

Bankers

Axis Bank	Dena Bank
Bank of Baroda	HDFC Bank
Canara Bank	IDBI Bank
Central Bank of India	Indian Bank
Citibank N. A.	State Bank of India
DBS Bank	

Auditors

Deloitte Haskins & Sells, Kolkata

Registrar & Transfer Agents

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



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48th Annual General Meeting will be held on Saturday, July 23, 2011 at the Auditorium of
Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur - 831 001 at 12:00 noon

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

Visit us at : www.trf.co.in



TRF LIMITED

Fortyeighth annual report 2010-11

Notice

NOTICE IS HEREBY GIVEN THAT THE FORTYEIGHTH ANNUAL GENERAL MEETING OF TRF LIMITED will be held at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur- 831 001, on Saturday, July 23, 2011 at 12:00 Noon to transact the following business:

1. To receive and adopt the audited Profit and Loss Account of the Company for the year ended March 31, 2011, the Balance Sheet as at that date and the Reports of the Directors and Auditors.
2. To declare dividend on equity shares of the Company for the year ended March 31, 2011.
3. To resolve not to fill in for the present, the vacancy created by the retirement of Dr. Jamshed J. Irani, who retires by rotation and has expressed his unwillingness for re-appointment.
4. To appoint a Director in place of Mr. Subodh K. Bhargava, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. Ram Prit Singh, who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

7. **Confirmation of Remuneration paid to Mr. Sudhir Deoras, Managing Director for the Financial Year 2010-11**

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

“RESOLVED THAT subject to such waiver/ approvals as may be deemed necessary, the Company doth hereby grant its approval to the payment of remuneration to Mr. Sudhir Deoras, Managing Director, during the financial year 2010-11, as per the agreement entered into by the Company, notwithstanding that the same exceeds the limits specified under Table B of Section II, Part II of Schedule XIII, of the Companies Act, 1956.”

TRF LIMITED

Fortyeighth annual report 2010-11

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The Register of Members and share transfer books of the Company will remain close from Thursday July 07, 2011 to Tuesday July 12, 2011 (both days inclusive) for the purpose of ascertaining entitlement of dividend.
- c) The dividend on shares, as recommended by the Board of Directors, and if approved by the members at the Annual General Meeting, will be payable to those members whose names appear on the Register of Members of the Company as on July 12, 2011 or their mandatees, subject to the provisions of Section 206A of the Companies Act, 1956.
- In respect of shares held in electronic form, the dividend will be payable to the beneficial owners as on July 06, 2011 as per details received from the Depositories.
- d) As per the provisions of the Companies Act, 1956, facility for making nomination is now available to the Shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office or the Registrar & Transfer Agents of the Company.
- e) Shareholders holding shares in the physical form are requested to notify/ send the following to TSR Darashaw Limited, the Registrar & Transfer Agents to facilitate better services:
- (i) Any Change in their address/ mandate/ bank details, and;
 - (ii) Particulars of the bank account in which they wish their dividend to be credited, in case they have not furnished it earlier.
- f) Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid/unclaimed dividend account of the Company is required to be transferred to the Investors' Education and Protection Fund (IEPF) set up by the Government of India and no claims shall be tenable either by the Company or by the said Fund, after the transfer of the said amount.
- Members, who have not yet encashed their dividend warrant for the financial year ended March 31, 2005 and onwards, are requested to make their claims to the Registrar & Transfer Agents of the Company without any delay.
- g) Members who still have their holding in physical form are requested to convert them into dematerialized form (under ISIN No. INE391D01019).
- h) SEBI vide its circular ref no. MRD/DoP/Cir-05/2009 dated 20.05.2009 has clarified that for securities market transactions and off-market/private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/RTA for registration of such transfer of shares irrespective of the amount of such transaction.
- All intended transferee(s) are, therefore, requested to furnish a self certified copy of their PAN Card alongwith the relevant transfer deed for registration of transfer of shares. Please note that the shares lodged for transfer without self certified copy of PAN Card of the transferee(s) shall be returned under objection.
- i) The Company has reviewed the formalities/ procedure for transmission of shares of deceased Shareholders in favour of survivor(s). Survivor(s) of the deceased Shareholders are advised to forward their requests with full details and supporting documents to the Registrar & Transfer Agents of the Company, for early transmission of Shares.
- j) Members desirous of any additional information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
- k) Members are requested to bring the admission slips along with their copies of the Annual Report to the meeting.

Registered Office:
11, Station Road,
Burma Mines,
Jamshedpur – 831 007.
May 12, 2011

By Order of the Board of Directors

Prashant Kumar
Company Secretary

ANNEXURE TO NOTICE

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

ITEM No. 7

Mr. Sudhir Deoras was appointed as the Managing Director of the Company for a period of three years with effect from April 1, 2007. Mr. Sudhir Deoras was re-appointed as Managing Director for a further period of three years commencing from 1st April 2010 by way of a Special Resolution pursuant to the provisions of Sections 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, which has been approved by the Shareholders at the 47th Annual General Meeting held on July 23, 2010.

Due to adverse business condition, the profits of the Company, computed in accordance with Section 309(5) of the Companies Act, 1956, were inadequate to meet the remuneration paid to Mr. Sudhir Deoras, Managing Director for the financial year 2010-11. As a result, provisions of Table B of Section II Part II of Schedule XIII of the Companies Act, 1956, has become applicable.

During financial year 2010-11, the Company has paid remuneration of Rs.8,732,691.00 to Mr. Sudhir Deoras, in accordance with the terms and conditions of agreement entered into between the Company and Mr. Deoras, which exceeds the limits specified under Table B of Section II Part II of Schedule XIII of the Companies Act, 1956, details of which are as follows :

Particulars	Amount (Rs.)
a) Salaries & allowances	7,504,224.00
b) Perquisites	321,267.00
c) Contribution to Provident and Other Funds	907,200.00
Total	8,732,691.00
Maximum Remuneration that can be paid in as per limits specified under Table B of Section II Part II of Schedule XIII of the Companies Act, 1956	4,800,000.00
Remuneration paid in excess of limits specified under Table B of Section II, Part II of Schedule XIII of the Companies Act, 1956	3,932,691.00

The Remuneration Committee and the Board at their meetings held on May 12, 2011 have approved the remuneration paid to Mr. Sudhir Deoras, Managing Director. While, the other terms and conditions for appointment/re-appointment of Mr. Sudhir Deoras, Managing Director, will remain unchanged as approved by the Shareholders at 47th Annual General Meeting held on July 23, 2010, approval of the Shareholders by way of Special Resolution is sought for the waiver of excess amount of Rs. 3,932,691/- (Rupees thirty nine lakhs thirty two thousand six hundred and ninety one only) paid to Mr. Deoras, for the financial year 2010-11, subject to such other statutory waiver/ approvals as may be required in this regard.

OTHER INFORMATION :

i) Reasons for loss or inadequate profits:

The financial mis-statements were noticed in a particular division for earlier years. This was done by a group of officers who were discharged from the Company and Company has initiated necessary legal proceedings against them. A new team, who had taken charge of the division had reviewed the costs of the projects under execution and corrected the same where ever necessary. Consequently, the Company had to book losses in the division bringing down the overall profits of the Company.

In addition, profitability of the project business was lower in the current year as compared to earlier years because of lower margin in the projects under execution.

ii) Steps taken or proposed to be taken for improvement:

Stringent Accounting practices and procedures have been put in place and a more robust system of reviewing estimates and costs at various levels has been instituted. Internal audit function has been outsourced to Price Waterhouse Cooper (PwC), a reputed Audit Firm.

iii) Expected increase in productivity and profits in measurable terms:

The Company has started better project monitoring and cost control initiatives, which will increase the productivity by 20% and will have a positive contribution. The Company's overall profitability is also expected to be reasonable in the financial year 2011-12.

The Board recommends the resolution as set out under Item No. 7 of the Notice for adoption by the Members.

None of the Directors of the Company save and except Mr. Sudhir Deoras, Managing Director is concerned or interested in Item No. 7 of the Notice.

Registered Office:

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

May 12, 2011

By Order of the Board of Directors

Prashant Kumar
Company Secretary

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

(Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges)

Name of Director	Mr. Subodh K. Bhargava
Date of birth	30/03/1942
Date of appointment	30/10/2000
Expertise in specific functional areas	Engineering
Qualifications	B.E. (Mech.)
List of other companies in which outside Directorship held as on March 31, 2011	Tata Communication Limited Tata Steel Limited Samtel Color Limited Carborundum Universal Limited Glaxo Smith Kline Consumer Healthcare Limited Batliboi Limited SRF Limited Larson & Toubro Limited Tata Motors Limited Viom Networks Limited
Chairman/Member of the committees of the Boards of other companies on which he was a Director as on March 31, 2011	Samtel Color Limited Audit Committee – Chairman Carborundum Universal Limited Audit Committee – Chairman Tata Steel Limited Audit Committee – Chairman Tata Communication Limited Audit Committee – Member SRF Limited Audit Committee – Member Batliboi Limited Audit Committee – Member Glaxo Smith Kline Consumer Healthcare Limited Audit Committee – Member
Shareholding in TRF Limited	NIL

Name of Director	Mr. Ram Prit Singh
Date of birth	25/07/1944
Date of appointment	24/08/2001
Expertise in specific functional areas	Engineering, Procurement, Contracting, Construction
Qualifications	B. Sc. Engg. (Mech.)
List of other companies in which outside Directorship held as on March 31, 2011	Tata Consulting Engineers Limited
Chairman/Member of the committees of the Boards of other companies on which he is a Director as on March 31, 2011	Tata Consulting Engineers Limited Audit Committee – Member
Shareholding in TRF Limited	NIL

Highlights					
		Rupees in lakhs			
	2010-11 Consolidated	2009-10 Consolidated	2008-09 Consolidated	2007-08	2006-07
Sales & Services (Net)	111,355.70	86,591.86	72,379.98	44,627.80	34,720.39
Other Income	1,254.42	1,237.10	269.76	413.11	216.07
Extraordinary Income	—	—	—	1,001.39	—
Employee Costs	8,302.18	6,914.10	5,682.92	3,953.52	2,588.45
Depreciation	849.17	611.60	382.62	226.61	131.88
Interest & brokerage	1,755.21	1,250.76	766.19	240.45	245.40
Profit before taxes	711.86	7,386.77	6,515.90	6,089.46	3,056.83
Provision for taxes (net)	522.84	2,509.91	2,467.08	1,861.89	1,039.77
Profit after taxes	189.02	4,876.86	4,048.82	4,227.57	2,017.06
Dividend (%)	20	75	120	100	60
Work Production	24,910.00	20,009.86	16,025.00	12,031.00	10,555.00
Progress billings	64,014.87	54,046.79	38,089.22	28,661.00	26,239.00
	As on 31.03.2011	As on 31.03.2010	As on 31.03.2009	As on 31.03.2008	As on 31.03.2007
Net fixed assets	8,390.78	6,170.29	3,541.08	2,672.02	872.44
Share Capital	1,100.44	1,100.44*	550.22	550.22	550.22
Reserves and Surplus	13,635.84	13,616.54	11,886.38	8,720.86	5,011.75
Net worth	14,736.28	14,716.98	12,436.60	9,271.08	5,561.97
Borrowings	32,831.63	21,661.95	9,336.01	5,190.26	1,043.06
Net worth per share (Rs.)	133.91	133.74	226.03	168.50	101.09
Debt: Equity ratio	2.23:1	1.47:1	0.75:1	0.55:1	0.19:1
Number of employees	1556	1336	928	897	761
* During the financial year 2009-10, the Company has issued bonus equity shares to its Shareholders in 1:1 ratio.					

Directors' Report

To the Members

The Directors are pleased to present their forty-eighth annual report and the audited financial accounts for the year ended March 31, 2011.

1.0 Financial Results

(Rupees in lakhs)

	Stand alone		Consolidated	
		<i>Previous Year</i>		<i>Previous Year</i>
Net Sales & Services / Income from Operations	72,358.02	64,994.95	111,355.70	86,591.86
Other income	870.28	365.31	1,254.42	1,237.10
Total income	73,228.30	65,360.26	112,610.12	87,828.96
Expenditure:				
a) (Increase)/Decrease in Inventories and Contracts in progress	(479.46)	(1,616.29)	(2,102.25)	(1,399.99)
b) (i) Consumption of raw materials & Components	40,042.63	36,131.61	68,467.52	50,844.79
(ii) Payment to sub-contractors	18,030.83	10,129.79	18,371.00	10,338.55
c) Employee Costs	4,573.79	4,308.51	8,302.18	6,914.10
d) Operations administration and selling expenses	9,287.54	7,740.11	16,324.73	11,808.19
e) Total Expenditure (a to d)	71,455.33	56,693.73	109,363.18	78,505.64
Profit before interest, depreciation, exceptional/extraordinary items and tax	1,772.97	8,666.53	3,246.94	9,323.32
Interest	1,246.50	972.82	1,755.21	1,250.76
Profit before depreciation, exceptional/extraordinary items and tax	526.47	7,693.71	1,491.73	8,072.56
Depreciation	385.62	319.50	849.17	611.60
Profit/(Loss) before exceptional/extraordinary items and tax	140.85	7,374.21	642.56	7,460.96
Amount transferred to Capital Account	—	—	(69.30)	(107.01)
Profit before exceptional/ extraordinary items and after amount transferred to Capital Account	140.85	7,374.21	711.86	7,567.97
Exceptional/Extraordinary items [gain/(loss)]:				
Prior period items	—	(239.91)	—	(181.20)
Profit / (Loss) before tax	140.85	7,134.30	711.86	7,386.77
Provision for Taxation for the year	—	2,575.00	489.71	2,661.38
Provision for Deferred Tax liability	57.60	(158.57)	33.13	(151.47)
Provision for Fringe Benefit Tax	—	—	—	—
Profit/(Loss) after tax	83.25	4,717.87	189.02	4,876.86
Less: Minority Interest	—	—	162.09	204.80
Profit after minority interest	83.25	4,717.87	26.93	4,672.06
Add: amount brought forward from previous year	1,557.49	1,802.03	763.60	1,055.19
Disposable Profit	1,640.74	6,519.90	790.53	5,727.25
Appropriations:				
(a) Proposed Dividend	220.09	825.33	220.09	825.33
(b) Tax on Dividend	35.70	137.08	35.70	138.32
(c) General Reserve	6.50	4,000.00	6.50	4,000.00
Balance carried forward	1,378.45	1,557.49	528.24	763.60
	1,640.74	6,519.90	790.53	5,727.25

(figures for previous year have been regrouped wherever necessary)

2.0 Dividend

The Directors recommend payment of dividend of 20 % for the year ended March 31, 2011 (Previous year: 75%), if approved by the shareholders at the ensuing Annual General Meeting.

3.0 Issue of Commercial Papers

During the financial year your Company has issued Commercial Papers worth Rs.10,500 lakhs. As on March 31, 2011 all Commercial Papers have been matured and repaid.

4.0 Credit Rating

During the financial year your Company has revalidated its credit rating for Short Term Debt including Commercial Papers, by CARE. CARE has assigned 'PR1+' rating for an amount of Rs. 9,000 lakhs. This rating is the highest given to any Indian company, in our field of business.

5.0 Operations

5.1 During the year your Company has expanded its Works capacity and a new fabrication yard is under construction and nearing completion. Your Company has also started two new business divisions, viz. (i) Balance of Plant (BOP) and (ii) Operation & Maintenance Services (O&MS).

(i) *Balance of Plant (BOP)* : With an objective to exploit the business opportunities and to increase the market share in thermal power sector, a separate Balance of Plant division was established to carry on BOP business.

The main initiatives taken during the year was vendor development, selection of consortium partners, market survey and analysis, building database for future power projects, initiate extensive customer contact programme and build customer relationship etc.

(ii) *Operation & Maintenance Services (O&MS)* : This division is started with a view to create a new revenue stream for TRF and

to generate demand for spares. Currently, this division is under discussions with perspective customers.

5.2 During the financial year 2010-11 performance of your Company was as follows:

- ❑ Total income at Rs. 112,610.12 lakhs, (Previous Year Rs. 87,828.96 lakhs);
- ❑ Turnover at Rs. 111,355.70 lakhs, (Previous Year Rs. 86,591.86 lakhs);
- ❑ Profit before tax at Rs. 711.86 lakhs, (Previous Year Rs. 7,386.77 lakhs);
- ❑ Profit after tax at Rs. 189.02 lakhs, (Previous Year Rs. 4,876.86 lakhs);
- ❑ Earning Per Share as on March 31, 2011 was Rs. 0.24 (Previous Year as on March 31, 2010 was Rs.42.46);
- ❑ All time high production of Rs. 24,910 lakhs, (Previous Year Rs. 20,000 lakhs).

5.3 The order book position at the end of the year was reasonable.

5.4 During the financial year 2010-11 following major projects were in progress:

- a) Coal Handling Plant for 3 x 500 MW Power Plant at Indira Gandhi Super Thermal Power Plant, Aravali;
- b) Iron Ore Crushing & Conveying Plant at NMDC, Bailadilla;
- c) Coal Handling Equipment supply to Tata Projects Limited for "Balance of Plant" MAHAGENCO, Bhusawal;
- d) Coal Handling Plant for 2 x 600 MW Power Plant for DVC, Raghunathpur;
- e) Coal Handling Plant for 2 x 500MW Power Plant at Mauda Super Thermal Power Project;
- f) Coal Handling Plant for 2 x 660MW Power Plant at Barh Super Thermal Power Project Stage-II;
- g) Coal Handling Plant for 2 x 500MW Power Plant at Vindhychal Super Thermal Power Project Stage-IV;

- h) Coal Handling Plant for JSPL, Angul;
- i) Tata Steel Raw Material Handling System for 3 million Tonnen expansion.

5.5 Reasons for inadequate profits : The financial mis-statements were noticed in a particular division for earlier years. This was done by a group of officers who were discharged from the Company and the Company has initiated necessary legal proceedings against them. A new team, who had taken charge of the division had reviewed the cost of the projects under execution and corrected the same where ever necessary. Consequently, the Company had to book losses in the division bringing down the overall profits of the Company.

In addition, profitability of the project business was lower in the current year as compared to earlier years because of lower margin in the projects under execution.

6.0 Subsidiaries Performance

6.1 YORK Group

During the year, most economies in the Asia-Pacific region as well as Africa performed well riding on mining, infrastructure and manufacturing sectors growth. York's market share has improved significantly in India, Indonesia, South Africa and Thailand. During the year York commenced direct sales in China and are supplying its products to trailer builders who export trailers to Australia, Middle-East and Africa.

During the year York's R&D team has developed and introduced several new products for special applications. York introduced ABS axle and air suspension in petroleum, oil & gas segment where safe transportation is the prime consideration. Improved braking and having vibration free chassis

(eliminating the need for frequent suspension welding due to failures) would contribute greatly for safe transportation in the sector.

In India, in addition to its current manufacturing facility at Jamshedpur, York has set up a larger plant at Pune, which will eventually have an installed capacity of 100,000 axles /annum. York is also setting up an R&D department at its new facility at Pune. This facility was commissioned in May 2011. York India customer base is also fast expanding and now stands at 104 at the end of March 2011 as compared to 54 in the beginning of the year.

York India sales has increased substantially and it has acquired 22% market share in the fast growing trailers segment. York is now the preferred brand for trailer axles and suspensions for many reputed large fleets and transporters.

6.2 Adithya Automotive Applications

Adithya Automotive Applications Private Limited (AAA) started in-house commercial operations during the year. On October 7, 2010 the state-of-the-art plant at Lucknow was inaugurated by Dr. Jamshed J. Irani, Director Tata Sons and Chairman TRF Ltd. It started with manufacturing, assembly and mounting of 14 Cu M tipper bucket on Tata LPK 2518 chassis. It has already added a variant of 10 Cu M bucket to be mounted on Tata LPK 1618.

During the year 'AAA' supplied approx 1300 tipper buckets of different cubic capacities and has reached a level of 75% capacity utilization in the last quarter of the year.

6.3 DLT Group

During the year the sales in terms of number of units sold and revenue has increased in both local and export markets. Export sales increase has come

through higher sales in Port as well as Road segments in the Middle East, Africa and South Asia regions. Continued good demand and our ability to compete with new products enabled us to maintain leadership in the local market.

Noteworthy new products developed during the year include Special 25 meter long trailer for carrying the Wind Mill blades, Tip Trailers and Coil Carriers.

Dutch Lanka Engineering Private Limited, a 100% subsidiary of DLT in Sri Lanka engaged in repairs, maintenance and service business of trailers in Sri Lanka, has improved its performance significantly.

The demand of trailers in Indian market has also been upbeat and our JV Company Tata-DLT was able to maintain its highest market share position in the Indian market.

6.4 Hewitt Robins International Ltd (HRIL)

On April 15, 2010, your Company has acquired 100% equity shares of Hewitt Robins International Ltd (HRIL) of United Kingdom. HRIL has a proven history of over 90 years in bulk material handling and processing and has a wide range of vibrating screens and crushing equipments for the Mining, Aggregate and Steel Industries. After acquisition an integration program has been implemented and a significant growth plan actioned. HRIL technology was absorbed in India and TRF has made good progress in establishing Hewitt Robins brand in Indian market. HRIL also displayed mobile crusher in Bauma exhibition in Mumbai and has received good response.

A list of the Company's subsidiaries is given in page No. 87 of this Report.

Your Company undertakes that the annual accounts of its subsidiary companies and the related detailed

information shall be made available to the shareholders of the holding and subsidiary companies seeking such information at any point of time. This is to further inform that Annual Accounts of the subsidiary companies are kept at the registered office of the Company and of the subsidiary companies concerned, for inspection by any shareholder. Shareholder desirous to inspect the subsidiary companies accounts may make a request to the Company at its registered office.

7.0 Exports

During the year, your Company earned foreign exchange worth Rs. 46,171.92 lakhs through exports, including deemed exports of Rs. 45,276.10 lakhs, as against previous year's earnings through exports (including deemed exports) of Rs. 32,657.97 lakhs.

8.0 Audit Report

The Statutory Auditors Report on Annual Accounts for the financial year 2010-11 doesn't contain any qualification, which warrants comments from the Board of Directors.

During the financial year 2010-11, the Company has paid Rs. 87.33 lakhs as Managerial Remuneration to the Managing Director, which has exceeded the limit calculated under Schedule XIII to the Companies Act, 1956, by Rs. 39.33 Lakhs, vide note 19 to the accounts. The Company is in process of filing the application to the Central Government seeking its approval for the said remuneration paid over the limit and also approval of the shareholders at the forthcoming Annual General Meeting.

9.0 Management Discussions and Analysis

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

10.0 Fixed Deposits

As in the previous year, your Company has not accepted/ renewed any fixed deposits during the year. All deposits have matured and have been repaid when claimed by the depositors

together with interest accrued upto the date of maturity. All unclaimed deposits along with interest accrued upto the date of maturity have been deposited as and when they became due, with the Investors Education and Protection Fund (IEPF).

11.0 Business Excellence & Quality

11.1 Business Excellence :

Your company is a signatory to the Tata Brand Equity and Business Promotion (BEBP) Agreement with Tata Sons Ltd. The agreement entails complying with the Tata Group Policies, Tata Code of Conduct (TCOC), and conducting business as per the Tata Business Excellence Model (TBEM). During the year, your company scored 524 points (out of a maximum of 1000 points) in the TBEM assessment and is committed to further improvements.

Numerous actions have been taken to further improve business processes and compliance to the TCOC:

- Greater thrust on increasing awareness of TCOC – Several awareness sessions, films, etc. were organized across the organization. Employees were encouraged to undertake on-line TCOC training-cum-test;
- Large number of improvement projects have been completed by Quality Circles and Cross-Functional Teams;
- New initiatives related to employee communication were initiated;
 - ❖ Tea Time with MD – a small group two way communication sessions with the Managing Director and officers;
 - ❖ MD@SITE – a teleconference meeting with all employees working at various project sites;
- A large rain water harvesting project was commissioned in the TRF township;

- Implementation of TOC-CCPM (Theory of Constraints – Critical Chain Project Management) at the BMHE Division was initiated. This initiative is already in place in the BMHS and P&YE divisions.

11.2 Quality

Recertification of ISO 9001-2008 version is being obtained by the Bulk Material Handling Division of your Company as and when due.

12.0 Directors' Responsibility Statement

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

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

13.0 Affirmative Action & Corporate Sustainability Initiatives

Your Company carried out numerous Corporate Social Responsibility programmes based on

prevailing social, economic and environmental needs of the target community, with the objective of improving their quality of life. The target community comprises those residing in the 'bustee' near TRF Nagar, your Company's residential colony and in the vicinity of the Company premises. In order to make the Corporate Social Responsibility and Affirmative Action Programme meaningful and sustainable, your company undertakes activities after establishing their need on the basis of dialogues with the stakeholders and field surveys. Your company over a period of time has been able to develop a unique model of the social responsibility programmes for the implementation at beneficiaries level. The programmes are implemented with the help of voluntary support given by its employees and their spouses. The spouses have volunteered to undertake the implementation of the social responsibility under the umbrella of TRF Ladies Association. This Association is a registered body and serves the purpose of working as the executing arm of Company for its community outreach process.

Further, in pursuit of its commitment to follow the Code for Affirmative Action, your Company implemented corporate social responsibility initiatives with the aim of uplifting the socio-economic status of the members of the SC/ST section of the identified community.

Your Company, with the help of TRF Ladies Association, took the initiative in the area of climate change by setting up a rain water harvesting facility in TRF Nagar and in Company's Works premises, with an objective to prevent the wastage of water resources and raise the water table in the adjoining areas. This initiative has enabled your Company to make available potable water for employees for daily use in the Company premises and for the community living in the immediate vicinity of TRF Nagar. Water harvested in TRF Nagar is shared with the communities residing in adjacent 'bustees'.

In addition to the above, your Company also installed solar water heating system in its Works Premises at Jamshedpur. It introduced

the usage of CFL in TRF Nagar and tapped natural lighting for illumination of its shopfloor.

Your Company took note that most of the dwellings in 'bustee', where its target community resides, did not have power connection in their residence and hence distributed solar lanterns to them. This initiative has enabled the recipients of the lanterns utilize their time more meaningfully and facilitate their children to study after sunset. In line with the Company's code for Affirmative Action most of the chosen beneficiaries were from the SC/ST community.

In the area of education and literacy, your Company has supported the Valley View School (+2 CBSE) and which in turn has enabled it to cater to nearly 1400 children. Due to the support given by the Company the school has grown in size and stature and students passing from the school are viewed as well educated and disciplined citizens in the society. Your Company continued to provide basic literacy to 53 children most of them are from SC/ST community residing in the vicinity through the 'Akshar' literacy school. Support to three visually impaired children was provided by TRF by sponsoring their education and skill training at National Association for the Blind, Jamshedpur. In addition to providing basic education, the school provided uniforms, stationery and a nutritious mid-day meals to the children. Health check up as and when required and medicines are given to the students. The Company plans to impart computer training to them to enable them to take up vocations and identify some more visually impaired students for similar training programme.

In pursuit of an elaborate health care programme that your Company has been conducting over the years, the scope and size of activities in this area was further widened and strengthened. It participated in the National Pulse polio programme under which 177 children were immunized and 150 cataract patients benefited by Inter Ocular Implants organized by it. Further, it conducted preventive health check-

up for 170 school children and treated 410 patients from the nearby area in the free-health clinic run by it in TRF Nagar. The employees and associates of the Company voluntarily donated 257 units of blood in the blood donation camps organized in the Company premises.

In the area of employability, your Company conducted training programme to impart training in trades like fitter, welder, electrician, machinist, etc. During the period under review, 58 youths were made employable under this scheme. The Company provided internship to a number of engineering and management students with the aim of the providing them work experience which would enhance their employment prospects. The Company provided vocational training to 23 women residing in the neighbourhood with the help of TRF Ladies Association at their 'Astitva' –a women's centre. It trained and enabled the women through its short term courses on skills like stitching, embroidery, tailoring etc, enabling them to supplement their family income. The vocational training was given to them with the aim of preparing them to earn livelihood and thus empower them to contribute to the socio-economic mainstream.

14.0 Environment

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

15.0 Corporate Governance

As you are aware, your Company has consistently endeavoured to promote and adopt good corporate governance practices over the

years. During the year the corporate governance practices were further aligned with the requirements of Corporate Governance as prescribed by Securities and Exchange Board of India (SEBI). Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance and Auditors' Certificate in this regard has been annexed to this report.

16.0 Dematerialization of Securities

As the members are aware, your Company has made arrangements to dematerialize its securities and has been offering securities in dematerialized form pursuant to the Depositories Act, 1996 through National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). All the applications received for dematerialization have been acted upon and 89.39 % of Company's Share Capital stood in dematerialized form as on March 31, 2011.

17.0 Industrial Relations

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

18.0 Directors

- 18.1 Dr. Jamshed J. Irani, Director, retires by rotation at the next Annual General Meeting in accordance with provisions of the Companies Act, 1956 and has expressed his unwillingness for re-appointment.
- 18.2 Mr. Subodh K. Bhargava, Director, retires by rotation at the next Annual General Meeting in accordance with the provisions of the Companies Act, 1956 and is eligible for re-appointment.
- 18.3 Mr. Ram Prit Singh, Director, retires by rotation at the next Annual General Meeting in accordance with the

provisions of the Companies Act, 1956 and is eligible for re-appointment.

19.0 Particulars of Employees

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

20.0 Additional Information

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

21.0 Auditors

The existing Auditors, M/s Deloitte Haskins & Sells (DHS), Kolkata, Chartered Accountants, retire at the next Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received a certificate from the Auditors to the effect that

their appointment, if made, would be within the limits of Section 224(1B) of the Companies Act, 1956. Members are requested to appoint Auditors for the financial year 2011-12 at the Annual General Meeting and to authorize the Board of Directors to fix their remuneration as mutually agreed upon between the Board and the Auditors.

22.0 Acknowledgement

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

On behalf of the Board of Directors

*Kolkata,
May 12, 2011*

Dr. Jamshed J. Irani
Chairman

Annexure to the Directors' Report 2010-11

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

Disclosures

Form B

A. Conservation of Energy

a) Energy Conservation measures taken

- Maximum demand control
- Power factor improvement
- Acoustic cover 200 KVA Diesel generator set for maximum demand control.

b) Additional Investments and Proposals, if any :

- To install soft starters for higher K.W. motors
- To install capacitor banks in the shop floor near to the load point
- Shop floor illumination improvement through natural light & energy efficient lights.
- Energy efficient welding Machines.

c) Impact of the above measures on consumption of Energy :

- 10% reduction in power consumption.
- No annual minimum guarantee charges.

d) Total Energy Consumption and Energy Consumption per unit of production as prescribed in Form - A :

- Not given as your Company is not under the list of Specified Industries.

B. Technology Absorption

Refer "Form B" given in the next column.

C. Foreign Exchange Earnings and Outgo

Earnings - Rs. 46,171.92 lakhs

Outgo - Rs 456.49 lakhs

Information on foreign exchange outgo is contained in Schedule 19 of Notes to Accounts.

Research & Development

1. Specific areas in which R&D carried out by your Company :

Design development :

- Double roll crusher size : 900 mm dia x 2400 mm long.
- Reversible Impactor crusher size : TA-1214/16.
- Scalper size : 3000 mm x 9600 mm with 2QV14 vibrator unit with the help of HRIL design.
- TUF-12 feeder size : 2650 mm x 4000 mm for 2300 tph (design) capacity for Coal.
- Wagon Tippler for 140 T Wagon and 25 plus tips/hr. to take care of G33 norms of RDSO (In-Progress).
- Implementation for Radio communication System and on board Fire detection & Fighting mechanism.
- Development of 4000 tph slewing stacker.

2. Benefits derived as a result of the above R&D

- Enhancing product range.
- Meeting need of customized product.
- Complying revised RDSO's norms.
- Addressing new markets.

3. Future Plan of Action

To Develop & Introduce :

- Cone crusher.
- Universal Vibratory Unit.
- Sizer 2000 TPH for coal.
- Feeder Breaker 1500 TPH for Coal.
- Man Riding Chair Lift System for underground mines.
- Higher capacity of Unloaders, Stacker Reclaimers & machines for cement plants.

4. Expenditure on R & D including Expenditure incurred on items developed and supplied to customers

- | | |
|--------------------------|--------------------|
| a) Capital | : Nil |
| b) Recurring/Revenue | : Rs. 382.05 lakhs |
| c) Total | : Rs. 382.05 lakhs |
| d) Total R&D expenditure | : 0.52 % |
- as a percentage of total turnover.

5. Technology absorption, adaptation and innovation :

- Development of Twin Wagon Tippler.
- Development of Rapid Loading System.
- Development of Pipe Conveyor.

On behalf of the Board of Directors

Kolkata,
May 12, 2011

Dr. Jamshed J. Irani
Chairman

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Industry, Structure and Development

In the year under review Indian Infrastructure sector has shown a robust growth. Government has been taking important initiatives to sustain the growth, one of them being Public Private Partnership (PPP) projects. However, key issues relating to land acquisition, environment clearance, shortage of coal continue to be the areas of concern.

During the Eleventh Plan capacity addition in power sector has been estimated at about 62,000 MW. Thermal power plants continue to be largest contributor in power sector growth.

Many new green field steel plants have been announced and your Company hopes that work on some of these projects will commence soon. In the Port sector, large capacity additions have been planned in the next 5 years in the form of coal handling terminals. Similarly, many green field minor ports are in the pipeline.

Your Company is expected to make good progress as it operates in all these sectors.

Automotive sector has also shown robust growth and operations of our subsidiaries in Automotive Sectors, mainly YORK Transport Equipment Asia Pte. Limited (YTEA), Adithya Automotive Application Private limited (AAA) and Dutch Lanka Trailer Manufacturers Limited (DLT) have operated upto the expected level.

2. Opportunities & Threats

- ❑ The Company continues to explore opportunities for collaborations and tie-ups to upgrade its technology and widen its product mix.
- ❑ Pipe conveying and high speed conveying systems have been identified as new product segments.
- ❑ Your Company has identified 'Balance of Plant business' as a big growth opportunity and has formed a team to pursue the business.
- ❑ To de-risk the business, your company has entered into Auto Application business.

- ❑ Your Company is investing in plant and machinery to enhance fabrication and machining capabilities to increase equipment production, required to meet the increased demand.

Your Company does not perceive any major threat except for those attributable to intense competition and rising costs of inputs without commensurate increase in the net realizations. Apart from it, Chinese suppliers are making entry into the Indian market which will bring new dimension to the competition.

3. Financial Performance

On standalone basis, total income of your Company during the year was Rs. 73,228.30 lakhs, (Previous year Rs. 65,360.26 lakhs). Profit before Tax for the year was Rs. 140.85 lakhs (Previous year Rs. 7,134.30 lakhs). Profit after Tax for the year was Rs. 83.25 lakhs (Previous year Rs. 4,717.87 lakhs).

On consolidated basis, total income of your Company during the year was Rs. 112,610.12 lakhs, (Previous year Rs. 87,828.96 lakhs). Profit before Tax for the year was Rs. 711.86 lakhs (Previous year Rs. 7,386.77 lakhs). Profit after Tax for the year was Rs. 189.02 lakhs (Previous year Rs. 4,876.86 lakhs).

Operational performance has been separately dealt in Directors' Report.

4. Segment-wise Performance

The Projects and Services segment has posted revenue of Rs. 58,257.36 lakhs (Previous Year Rs. 55,161.55 lakhs) and the Products and Services segment has also posted revenue of Rs. 25,049.35 lakhs (Previous Year Rs. 16,258.45 lakhs), including inter segmental revenue of Rs. 10,948.69 lakhs (Previous year Rs. 6,425.05 lakhs).

5. Segmental Results

The Projects and Services segment posted a segmental loss of Rs. 2,764.01 lakhs (Previous Year Profit of Rs. 5,497.36 lakhs) but the Products and Services segment have recorded a profit of

Rs. 4,384.15 lakhs (Previous Year Rs. 2,640.12 lakhs). The Profit, of the Company, after deducting Interest and other unallocable expenditure/ income from the segmental results, has been Rs. 140.85 lakhs (Previous Year Rs. 7,134.30 lakhs).

6. Outlook

Power, Steel, Minerals and Ports business continue to do well and Company's business in material handling products and systems is bound to reap benefit in these growth sectors. However there is slowdown in finalization of new projects.

7. Risks and Concerns

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

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

8. Statutory Compliance

On obtaining confirmation from the various units of the Company of having complied with all the statutory requirements, a declaration regarding compliance with the provisions of the various statutes is made jointly by the Managing Director and Company Secretary at each Board Meeting. The Company Secretary ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The external- internal auditors M/s Pricewaterhouse Coopers (PwC) has done the audit to ensure compliance with the provisions of various statutes and found it in order. They have reported their findings to the Audit Committee. The General Manager (F&A), as the Compliance Officer for prevention of insider trading, ensures compliance with the Tata Guidelines on Insider Trading.

9. Internal Control System

Your Company has put in place adequate internal control systems and procedure commensurate with the scale and nature of its operations. The effectiveness of the internal control is continuously monitored by the senior management. To enhance the effectiveness of Internal Audit functions, your Company has appointed M/s Pricewaterhouse Coopers (PwC) as its external- internal auditors, directly reporting to the Audit Committee. During the year the Audit Committee of the Board regularly met to discharge its functions as required pursuant to the guidelines of Clause 49 of the Listing Agreement. To further strengthen the existing controls, the Audit Committee revisited the Revenue Recognition as well as various Provisioning Policies of the Company. The internal audit activities are undertaken as per the Annual Audit Plan developed by the internal auditors based on the risk profile of the business. The annual audit plan is approved by the Audit Committee, which regularly reviews compliance with the plan.

The Audit Committee regularly meets with the statutory auditors to ascertain their views on the adequacy of internal controls and their observations on the financial reports. The Audit Committee advised on strengthening the processes, controls and systems relating to the accounting standard.

10. Developments in Human Resources/ Industrial Relations front

As in previous years, efforts towards human resource development have been continued during the year, with greater emphasis on training and improvement initiatives. With a very enlightened Workers Union, industrial relations in your Company continue to be healthy and cordial.

On behalf of the Board of Directors

Kolkata,
May 12, 2011

Dr. Jamshed J. Irani
Chairman

Corporate Governance Report for the year 2010-11

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

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

The Company has set itself the objective of expanding its capacity and to be an international leader in material handling equipment, processes and systems. As a part of its growth strategy, the Company is adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Company expects to realize its Vision by taking such actions as may be necessary to expand its business on a sustainable basis by building a team that is passionate about serving all its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

2. Board of Directors

The strength of the Board as on March 31, 2011 was 9, comprising of:

Promoter, Non-Independent, Non-Executive Directors	:	2
Independent, Non-Executive Directors	:	6
Executive Director	:	1

There is no Nominee or Institutional Director on the Board of the Company.

The Company has a Non-Executive Non-Independent Chairman and the number of Independent Directors is more than 50% of the total number of Directors on the Board. The number of Non-Executive Directors is more than 50% of the total number of Directors.

No Director on the Board was a member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he was a Director. All the Directors have made the necessary disclosures regarding Committee positions.

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

Name	Category	No. of Board meetings attended during 2010-11	Whether attended the AGM held on July 23, 2010	No. of Directorships in other companies as on March 31, 2011		No. of Committee positions in other Companies held as on March 31, 2011#	
				As Chairman	As Director	As Chairman	As Member
Dr. Jamshed J. Irani,* Chairman	Promoter Non-Independent Non-Executive Director	8	Yes	3	7	—	2
Mr. S. J. Ghandy	Independent Non-Executive Director	8	Yes	—	4	1	2
Mr. S. K. Bhargava*	Independent Non-Executive Director	7	No	2	8	3	4
Mr. B. D. Bodhanwala	Independent Non-Executive Director	8	Yes	—	1	—	—
Mr. R. P. Singh*	Promoter Non-Independent Non-Executive Director	6	Yes	—	1	—	1
Mr. Ranaveer Sinha	Independent Non-Executive Director	8	Yes	—	1	—	—
Mr. R. V. Raghavan	Independent Non-Executive Director	8	Yes	—	2	—	2
Mr. Dipankar Chatterji	Independent Non-Executive Director	9	Yes	2	8	4	3
Mr. Sudhir Deoras, Managing Director	Executive Director	9	Yes	—	—	—	—

* Retire by rotation at the 48th Annual General Meeting in accordance with the provisions of the Companies Act, 1956 and are eligible for re-appointment. Dr. Jamshed J. Irani has expressed his unwillingness for re-appointment (refer para 18 of Directors' Report). It is proposed that vacancy created by the retirement of Dr. Jamshed J. Irani will be filled later on.

Represents Chairmanships/ Memberships of Audit Committee and Shareholders'/ Investors' Grievance Committee.

The Board met nine times during the financial year 2010-11 and the gap between any two meetings did not exceed four months. The dates on which the Board meetings were held are as follows:

(i) May 29, 2010 (ii) June 14, 2010 (iii) July 06, 2010 (iv) July 23, 2010, (v) September 06, 2010 (vi) October 26, 2010 (vii) December 24, 2010 (viii) January 28, 2011 and (ix) March 06, 2011.

The necessary quorum was present at all the meetings.

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

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

The Company did not have any pecuniary relationship with any Non-Executive Directors during the financial year 2010-11.

3. Audit Committee

The Audit Committee of the Board has been functioning since 1997. In terms of a resolution passed by the Board at its meeting held on October 30, 2000, the Audit Committee has been granted powers prescribed under Clause 49II(C) of the Listing Agreement and the scope of the activities of the Audit Committee is as set out in clause 49 of the Listing Agreement with the Stock Exchanges. The broad terms of reference of the Audit Committee are to review reports of the Internal Audit Department of the Company; discuss the same with the Internal Auditors periodically, to meet Statutory Auditors to discuss their findings, suggestions and other related matters, and to review weaknesses in internal controls reported by the Internal and Statutory Auditors. The Audit Committee also, mandatorily reviews the information prescribed under Clause 49II (E) of the Listing Agreement.

The Company has complied with the requirements of Clause 49II (A) of the Listing Agreement with regard to composition of the Committee. The composition of the Audit Committee and the details of the meetings of the Committee attended by the Directors during the financial year 2010-11, are given below:

Name of Member	Position	Category	No. of meetings attended
Mr. S. J. Ghandy	Chairman	Independent Non-Executive Director	7
Mr. S. K. Bhargava	Member	Independent Non-Executive Director	6
Mr. R. V. Raghavan	Member	Independent Non-Executive Director	6
Mr. Dipankar Chatterji	Member	Independent Non-Executive Director	7

Mr. S. J. Ghandy, Chairman of the Committee, was present at the last Annual General Meeting held on July 23, 2010.

The Committee met seven times during the financial year 2010-11 on the following dates:

(i) May 14, 2010 (ii) May 29, 2010 (iii) July 07, 2010 (iv) July 23, 2010 (v) September 06, 2010 (vi) October 26, 2010 and (vii) January 28, 2011.

Audit Committee meetings were attended by the General Manager (Finance & Accounts) and Chief Internal Audit. Other senior executives of the Company attended the meetings as and when invited by the Committee. Representatives of the Statutory Auditors were also invited for all the meetings of the Committee. During the year the Company has appointed M/s Pricewaterhouse Coopers (PwC) as its external internal auditors and representative of PwC were also invited and attended the meetings. Company Secretary acts as the Secretary to the Committee.

The necessary quorum was present at all the meetings.

Whistle Blower Policy

At its meeting held on March 23, 2005, the Board had adopted the Model Whistle Blower Policy, framed by the Tata Group General Counsel.

To further streamline the process, Tata Group General Counsel suggested certain modifications to the Model Whistle Blower Policy, in December 2005. The Board of Directors at their meeting held on December 26, 2005, approved the Whistler Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company and make protective disclosure about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the management any actual or possible violation of the Code or an event he becomes aware of, that could affect the business or reputation of the Company. Under the policy, each employee of the Company has an assured access to the Ethics Counsellor/ Chairman of the Audit Committee.

4. Remuneration Committee

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

The composition of the Committee and the details of the meetings attended by the Directors during the financial year 2010-11 are as follows:

Name of Member	Position	Category	No. of meetings attended
Mr. B. D. Bodhanwala	Chairman	Independent Non-Executive Director	Nil
Dr. Jamshed J. Irani	Member	Promoter, Non-Independent Non-Executive Director	1
Mr. S. K. Bhargava	Member	Independent Non-Executive Director	1
Mr. R.V. Raghavan	Member	Independent Non-Executive Director	1

During the financial year 2010-11, the Committee met once on May 29, 2010.

Remuneration policy

The Non-Executive Directors are paid remuneration by way of sitting fees and commission. The Company paid sitting fees of Rs. 15,000/- per meeting to its Non-Executive Directors, for attending Board and its Committees meetings, except for the Shareholders Grievance and Shares Transfer Committee, for which the sitting fees is Rs. 7,500/- per meeting. Total sitting fees paid to the Non-Executive Directors for attending meetings of the Board and Committees thereof during the financial year 2010-11 amounted to Rs. 1,680,000/- (Rupees sixteen lakhs eighty thousand) only.

In terms of shareholders' approval obtained at the Annual General Meeting held on June 21, 2008, the commission is paid at the rate not exceeding 1% of the net profits computed in accordance with Sec 309 (5)

of the Companies Act, 1956. The commission is distributed on the basis of Non-Executive Directors' attendance and contribution to the Board and Committee meetings. Due to inadequacy of profits during the financial year 2010-11, commission will not be paid to the Non-Executive Directors.

The Company has not granted any stock options to its Non-Executive Directors.

Details of remuneration paid to Non-Executive Directors in the financial year 2010-11 towards sitting fees for attending the Board and Committee meetings for the financial year 2010-11 are as follows:

Name of Director	Sitting Fees for 2010-11 Rs.
Dr. Jamshed J. Irani	195,000
Mr. S. J. Ghandy	225,000
Mr. S. K. Bhargava	210,000
Mr. B. D. Bodhanwala	172,500
Mr. R. P. Singh	157,500
Mr. Ranaveer Sinha	165,000
Mr. R.V. Raghavan	225,000
Mr. Dipankar Chatterji	330,000
Total	1,680,000

Mr. Ranaveer Sinha, (Independent, Non-Executive Director) holds 10 (ten) Equity Shares of the Company jointly with his spouse as on March 31, 2011.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and Commission (variable component) to the Managing/Whole-time Director(s). The salary is paid within the range approved by the Shareholders. Annual increment is effective from 1st April each year, as recommended by the Remuneration Committee and approved by the Board. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board and within the prescribed ceiling; the perquisites package is recommended by the Remuneration Committee and approved by the Board. Commission/ Performance Linked Remuneration payable to the Managing/ Whole-time Director(s) are determined by the Board at the end of the financial year based on the recommendation of the Remuneration Committee, subject, however, to the overall ceilings on remuneration stipulated in Sections 198 and 309 of the Companies Act, 1956. Specific amount payable to each such Director is based on the performance criteria laid down by the Board.

Details of remuneration paid to the Executive Director(s) for the financial year 2010-11 are as follows :

Rupees in lakhs

Name	Salary	Perquisites & Allowances*	Commission#	Stock Options
Mr. Sudhir Deoras (Managing Director)	33.60	53.73	NIL	NIL

* Includes contribution to the Provident Fund and Superannuation Fund.

Due to inadequacy of profits during the financial year 2010-11, commission will not be paid to Mr. Deoras. During the financial year 2010-11, the Company paid Rs. 87.33 lakhs as Managerial

Remuneration to the Managing Director, which has exceeded the limit calculated under Schedule XIII to the Companies Act, 1956, by Rs. 39.33 lakhs. The Company is in process of filing the application to the Central Government seeking its approval for the said remuneration paid over the limit and also approval of the Shareholders at the forthcoming Annual General Meeting.

Period of contract of Managing Director : Re-appointed for a period of Three (3) years with effect from April 01, 2010.

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

5. Shareholders' Committee

The terms of reference of the Shareholders' Grievance and Share Transfer Committee are to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc. The Committee met once during the financial year 2010-11 on March 14, 2011.

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

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

Name, designation & address of Compliance Officer : Mr. Prashant Kumar
Company Secretary
TRF Limited,
11, Station Road, Burma Mines,
Jamshedpur-831 007.
Tel. No. : (0657) 2345727 / 3046326
Fax : (0657) 2345727 / 2345732
E-mail : investors@trf.co.in

No. of complaints received from the investors during the financial year 2010 – 11 : One
No. not solved to the satisfaction of the investors as on 31.03.2011 : Nil
No. of pending complaints as on 31.03.2011 : Nil

6. Other Committees

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

(A) Executive Committee

The terms of reference of the Executive Committee amongst its other functions is to periodically review (1) Business and Strategy (2) Financial matters requiring special attention (3) Long term financial projections and cash flow (4) Capital & Revenue Budgets and Capital expenditure programmes (5) Senior management succession planning etc. The composition of Executive Committee

and details of meetings attended by the members during the financial year 2010-11 are as follows:

Name of Director/Executive	Position	Category	No. of meetings attended
Dr. Jamshed J. Irani	Chairman	Promoter, Non-Independent, Non-Executive Director	4
Mr. B. D. Bodhanwala	Member	Independent, Non-Executive Director	3
Mr. R. P. Singh	Member	Promoter, Non-Independent, Non-Executive Director	4
Mr. Ranaveer Sinha	Member	Independent, Non-Executive Director	3
Mr. Sudhir Deoras (Managing Director)	Member	Executive Director	4
Mr. H. C. Kharkar	Permanent Invitee	Company Executive	4

The Executive Committee met four times during the financial year 2010-11 on the following dates: (i) May 29, 2010 (ii) July 22, 2010 (iii) October 26, 2010 and (iv) January 28, 2011.

(B) Finance Committee

The terms of reference of the Finance Committee are to review and monitor the financial structure of the Company to ensure the availability of funds at competitive cost, in line with the Company's growth and fiscal strategy.

The composition of Finance Committee and details of meetings attended by the members during the financial year 2010-11 are as follows:-

Name of Director/Executive	Position	Category	No. of meetings attended
Mr. Dipankar Chatterji	Chairman	Independent, Non-Executive Director	6
Mr. Sudhir Deoras (Managing Director)	Member	Executive Director	6
Mr. H.C. Kharkar	Permanent Invitee	Company Executive	6
Mr. Ashim Roy	Permanent Invitee	Company Executive	6

The Finance Committee met six times during the financial year 2010-11 on the following dates:

(i) April 07, 2010 (ii) June 23, 2010, (iii) July 22, 2010 (iv) September 06, 2010 (v) October 25, 2010 and (vi) January 27, 2011.

7. Subsidiary Companies

The Company does not have any material Non-Listed Indian Subsidiary Company and hence, it is not required to have an Independent Director of the Company on the Board of such subsidiary company. The Audit Committee also reviewed the financial statements of the subsidiary companies. The Board and Audit Committee also periodically reviewed investments made by the Company's non-listed subsidiaries during the year under review.

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

8. General body meetings

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

Year	Date	Time	Venue
2010	23.07.2010	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2009	20.07.2009	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2008	21.06.2008	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001

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

AGM Date	Special Resolutions Passed
23.07.2010	Re-appointment of Mr. Sudhir Deoras as Managing Director for a period of three years from April 01, 2010 to March 31, 2013.
20.07.2009	(i) Increase in the Authorized Capital of the Company from Rs.15 Crores to Rs.30 Crores; (ii) Alteration of Article 4 of the Articles of Association.
21.06.2008	(i) Re-appointment of Mr. Ramesh Chander Nandrajog as Executive Director for a period of one year from August 01, 2008 to July 31, 2009. (ii) Revision in terms of remuneration of Mr. Sudhir Deoras, Managing Director; (iii) Extension of payment of commission to the Non-Executive Directors for a further period of five years from the financial year 2008-09

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

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

9. Disclosures

- i) The Company had no transaction of material nature with its Promoters, Directors or the management, their subsidiaries or relatives, etc. that may have had potential conflict of interest with the Company at large. Register of Contracts is placed at each meeting of the Board of Directors as per the requirements of the Companies Act, 1956.
- ii) There are no instances of non-compliance by the Company or strictures imposed by the Stock Exchanges, SEBI or any other regulatory authority on any matter related to capital markets, during the last three years.
- iii) The Board at its meeting held on December 26, 2005, has adopted the Risk Management framework and the same is being periodically reviewed by the Board & Company Management.
- iv) The Company has complied with all the applicable Accounting Standards.
- v) Management Discussion and Analysis Report forms a part of the Director's Report.
- vi) The relevant disclosures on the remuneration of directors have been included under "Remuneration Policy" in this Report.
- vii) The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.
- viii) The Details of adoption/non-adoption of the non-mandatory requirements as specified in Annexure ID of Clause 49 are as under:
 - a) **The Board**
 - i) The Company does not maintain any office for its Non-Executive Chairman.
 - ii) The Board at its meeting held on March 19, 2001 adopted the Tata Group Guidelines for Composition of the Board of Directors.
 - b) **Remuneration Committee**

The Board has a Remuneration Committee whose terms of reference, composition and other relevant particulars have been mentioned in this Report.
 - c) **Shareholders rights**

The Company does not send any communication to shareholders covering financial performance or summary of the significant events on half-yearly basis. Instead, the Company publishes the quarterly financial results in major newspapers and posts the same on its website www.trf.co.in. Further, significant events are informed to the Stock Exchanges from time to time and then the same is posted on the website of the Company.
 - d) **Audit qualifications**

Observations of the Statutory Auditors in their report to the members have been appropriately addressed in the Directors' Report and notes to the accounts.

e) **Training of Board Members**

The members of the Board, being business leaders in their respective area of functioning are aware of their responsibilities as directors and the best ways to discharge them.

f) **Whistle Blower Policy**

The functioning of the Whistle Blower Policy has been mentioned in this Report.

10. Reconciliation of Share Capital Audit

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

11. CEO/CFO Certification

The Managing Director and General Manager (Finance & Accounts), who heads the Finance function, have submitted the required Certificate to the Board at its meeting held on May 12, 2011, wherein the Audited Accounts of the Company for the financial year 2010-11 were considered.

12. Means of communication

The quarterly and annual results along with the segmental report are generally published in Business Standard and Hindu Business Line (in English) & Prabhat Khabar, Hindustan, Dainik Bhaskar, Uditvani, Chamakta Aiyana and New Ispat Mail (in Hindi) and also displayed on the website of the Company at www.trf.co.in shortly after its submission to the Stock Exchanges.

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

13. General Shareholder Information

- i) **AGM : Date, time and venue** : July 23, 2011 at 12:00 Noon, at the Auditorium of SNTI, N-Road, Bistupur, Jamshedpur –831 001
- ii) As required under Clause 49(IV)(G)(i), particulars of Directors seeking appointment/ reappointment are annexed to the Notice of the Annual General Meeting to be held on July 23, 2011.
- iii) **Financial calendar** : April to March
 - Annual General Meeting** : July
 - Dividend Payment** : Immediately after the Annual General Meeting
- iv) **Date of book closure** : Thursday, July 07, 2011 to Tuesday, July 12, 2011 (both days inclusive)
- v) **Dividend Payment date** : The dividend warrants will be posted on or after July 25, 2011.

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vi) **Listing on Stock Exchanges** : The Company's shares are listed on -

- (1) Bombay Stock Exchange Ltd. (BSE);
- (2) National Stock Exchange of India Ltd. (NSE);
- (3) Calcutta Stock Exchange Ltd. (CSE).

The Company has paid the annual listing fees to all the Stock Exchanges for the financial year 2010-11.

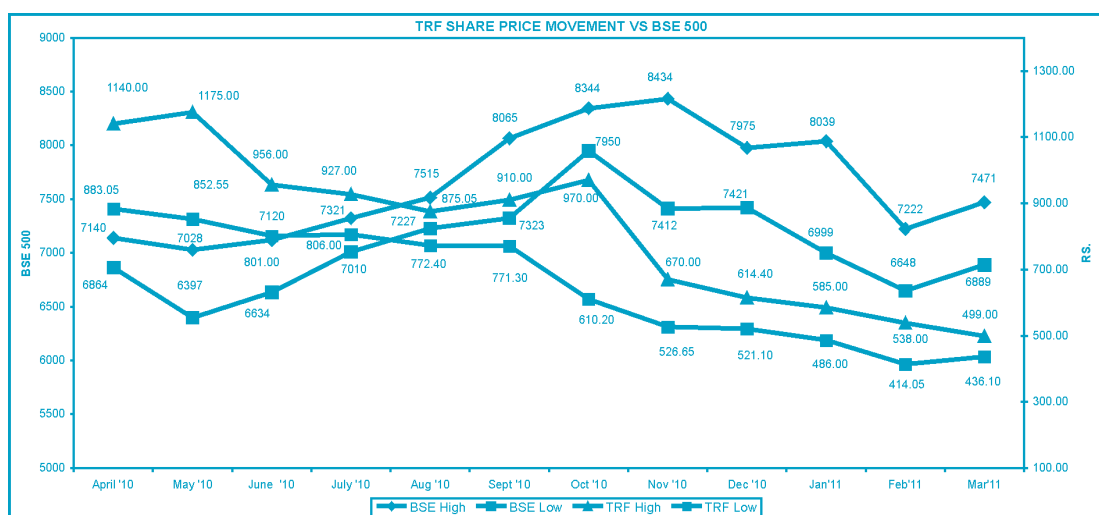
vii) **Stock Code** : 505854 (BSE), TRF (NSE) & 10030045 (CSE)

viii) **Market Information** : Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year, as under :

		Bombay Stock Exchange			National Stock Exchange		
		High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April	2010	1140.00	883.05	159774	1147.00	885.00	138329
May	2010	1175.00	852.55	183154	1119.80	860.40	332284
June	2010	956.00	801.00	494816	955.80	780.00	568426
July	2010	927.00	806.00	214998	928.85	757.50	348569
August	2010	875.50	772.40	58237	849.95	771.50	123404
September	2010	910.00	771.30	104570	904.70	775.05	179309
October	2010	970.00	610.20	605652	984.80	600.00	1087962
November	2010	670.00	526.65	333608	760.00	536.00	531594
December	2010	614.40	521.10	209396	609.00	520.00	178481
January	2011	585.00	486.00	138216	584.00	490.10	180271
February	2011	538.00	414.05	181306	539.90	423.00	138331
March	2011	499.00	436.10	172904	511.00	432.00	241613

ix) **Performance of Company's Share Price**

The performance of the Company's share prices in comparison to broad-based indices BSE 500 during the financial year 2010-11, is as under:



x) **Registrar & Transfer Agents :**

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

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

xi) **Share transfer system :**

a) **Physical Form :**

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

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

b) **Demat Form :**

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

xii) a) **Distribution of shareholdings as on 31.03.2011:**

Shareholding of nominal value of	Shareholders		Share Amount	
Rs.	Number	% to total	Rs.	% to total
UPTO - 5000	18347	93.57	17,973,160	16.33
5001 - 10000	752	3.84	5,479,660	4.98
10001 - 20000	274	1.40	4,080,180	3.71
20001 - 30000	82	0.42	2,072,340	1.88
30001 - 40000	32	0.16	1,139,950	1.04
40001 - 50000	29	0.15	1,324,960	1.21
50001 - 100000	40	0.20	2,810,450	2.55
100001 and above	51	0.26	75,163,420	68.30
TOTAL	19607	100.00	110,044,120	100.00

b) **Shareholding pattern as on 31.03.2011 :**

Sl.No.	Category	No. of Shares	%
I.	Promoters/Associate companies, etc.	4359974	39.62
II.	Financial Institutions	1405916	12.78
III.	Foreign Financial Institutions	12258	0.11
IV.	Other Bodies Corporate/Trusts	1463162	13.30
V.	Directors & Relatives	10	—
VI.	General Public	3763092	34.19
	TOTAL	11004412	100.00

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c) Shareholders holding more than 1% of the Equity Share capital as on 31.03.2011 :

Sl.No.	Name of shareholders	No. of shares held	%
1.	Tata Steel Ltd.	3585428	32.58
2.	Zash Traders through its PAC :- — Regal Investment and Trading Co. Pvt Ltd. — Vidya Investment and Trading Co. Pvt Ltd. — Napean Investment and Trading Co. Pvt Ltd.	724686	6.59
3.	Sundaram Mutual Fund	597045	5.43
4.	Marconi Corporation plc, UK	367500	3.34
5.	Madhu Vadera Jayakumar	250360	2.28
6.	ICICI Prudential Emerging Star (Stock Targeted at Returns) Fund	239898	2.18
7.	Litton Systems Inc., USA	217500	1.98
8.	Kalimati Investment Co. Ltd.	187586	1.70
9.	DSP Blackrock Small & Mid Capital Fund	124360	1.13
	TOTAL	6294363	57.21

xiii) Dematerialization of shares and liquidity :

89.39% of the share capital of the Company had been dematerialised till March 31, 2011. The Company's shares are frequently traded on BSE and NSE.

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

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

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

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

On behalf of the Board of Directors

Kolkata,
May 12, 2011

Dr. Jamshed J. Irani
Chairman

CERTIFICATE

To the Members of TRF LIMITED

We have examined the compliance of conditions of Corporate Governance by TRF Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

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

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

Kolkata: May 12, 2011

To
The Members
TRF LIMITED

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

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

I confirm that the Company has in respect of the financial year ended March 31, 2011, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct, as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the cadre of General Manager and above, including Company Secretary, as on March 31, 2011.

Place : Kolkata
Date : May 12, 2011

Sudhir Deoras
Managing Director

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Funds Flow Statement					
Rupees in lakhs					
	2010-11	2009-10	2008-09	2007-08	2006-07
SOURCES					
1. Cash generated from Operations :					
— Profit / (Loss) before taxes	141	7,134	7,029	6,013	3,057
— Less : Taxation (net)	(58)	(2,416)	(2,476)	(1,796)	(1,040)
— Add : Depreciation (net)	253	(23)	101	99	82
Total	336	4,695	4,654	4,316	2,099
2. Increase in Loan Funds					
— Bank Borrowings	9,049	10,080	2,865	607	—
3. Decrease in Working Capital	—	—	—	—	2,596
4. Decrease in Miscellaneous Expenditure	—	10	10	10	10
5. Decrease in Investment	—	—	—	—	—
Total	9,385	14,785	7,529	4,933	4,705
UTILISATION					
1. Capital Expenditure (net)	1,538	735	1,033	286	200
2. Increase in Investments	3,020	5,308	—	2,281	337
3. Dividend including tax on dividend, if applicable	256	962	772	644	386
4. Decrease in Loan Funds					
— Bank Borrowings	—	—	—	—	2,584
— Others	—	—	—	—	500
5. Increase in Working Capital	4,629	7,622	5,744	2,149	—
6. Deferred Tax (net) for the year	(58)	158	(20)	(120)	357
7. Adjusted in General Reserves	—	—	—	(307)	341
Total	9,385	14,785	7,529	4,933	4,705

Note :

1. In accordance with the transitional provision in the revised Accounting Standard-15 “Accounting for Retirement Benefits” Rs.307 Lakhs has been credited to General Reserves an on April 1, 2007.

Summarised Balance Sheet as at March 31, 2011

Rupees in lakhs

As at

31.3.2010

WHAT THE COMPANY OWNED

1. Fixed Assets		
Gross Block	6,201.88	5,580.44
Less : Depreciation	3,086.18	2,833.26
Net Block	3,115.70	2,747.18
2. Capital Work-in-progress	1,091.14	174.19
3. Investments	10,985.95	7,966.45
4. Net Current Assets	25,063.91	20,434.53
5. Deferred Tax Assets	193.93	251.53
6. Total Assets (Net)	40,450.63	31,573.88

WHAT THE COMPANY OWED

7. Borrowings	23,645.02	14,595.73
8. Deferred Tax Liability		

THE COMPANY'S NET WORTH

9. Shareholders' Equity	16,805.61	16,978.15
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(i.e., the excess of what the Company owned over what the Company owed)

Represented by

Share Capital : Rs.1,100.44 lakhs (Previous year : Rs.1,100.44 lakhs);

Reserves : Rs.15,705.71 lakhs (Previous year : Rs.15,877.71 lakhs).

40,450.63 31,573.88

Summarised Profit and Loss Account for the year 2010-11

Rupees in lakhs

Previous year

1. Income		
Net Sales & Services	72,358.02	64,994.95
Other Income	870.28	365.31
Total Income	73,228.30	65,360.26
2. Profit/(Loss) before Interest, Depreciation, Exceptional/Extraordinary Items and Taxes		
Less : Depreciation	1,772.97	8,666.53
Interest	385.62	319.50
	1,246.50	972.82
3. Profit/(Loss) before Exceptional/Extraordinary Items and Taxes	140.85	7,374.21
Prior Period Items	—	(239.91)
4. Profit/(Loss) before Taxes	140.85	7,134.30
5. Provisional for Taxes / (Write back)	57.60	2,416.43
6. Profit/(Loss) after Taxes	83.25	4,717.87
7. Balance in Profit and Loss Account brought forward	1,557.49	1,802.03
8. Amount available for appropriation	1,640.74	6,519.90
9. Appropriations		
Proposed Dividend	220.09	825.33
Tax on proposed dividend	35.70	137.08
General Reserve	6.50	4,000.00
Balance carried to Balance Sheet	1,378.46	1,557.49
	1,640.74	6,519.90

AUDITORS' REPORT

TO THE MEMBERS OF TRF LIMITED

1. We have audited the attached Balance Sheet of **TRF Limited** ("the Company"), as at March 31, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (v) as stated in note (i) of Schedule 20 for recognizing profit on contracts, stage of completion is determined as a proportion that contract costs incurred for the work performed upto the closing date bear to the estimated total costs. Further, as stated in that note, the expected loss on contracts is recognized when it is probable that the total contract costs will exceed the total contract revenue. 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., which being technical matters have been relied on by us. Additionally, as stated in note (v) of Schedule 20 revisions in projected profit/loss arising from change in estimate etc. are reflected during the course of work in each accounting period in which the revisions have been made; the effect of these revisions has not been disclosed separately in the accounts, as the amounts thereof cannot be accurately determined;
- (vi) Without qualifying our report, attention is invited to note (i) of Schedule 19 forming part of the financial statements regarding that the Company has paid Managerial Remuneration aggregating Rs. 39.33 lakhs to the Managing Director for the year which is subject to the approval of the Central Government;
- (vii) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and subject to our comments in paragraph 4 (v) above, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 302009E)

R. A. BANGA
Partner

Kolkata, 12th May, 2011

(Membership No.: 37915)

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business, clauses (xiii) and (xiv) of CARO are not applicable.
- (ii)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification of fixed assets over a period of three years and in accordance therewith Buildings and Roads and Electrical Installation have been verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii)
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv)
 - (a) According to the information and explanations given to us, the Company has not taken any loans secured or unsecured from companies, firms or other parties covered by the register maintained under Section 301 of the Companies Act, 1956.
 - (b) According to the information and explanations given to us, the Company has granted interest free loans aggregating Rs. 652.56 lakhs to its wholly owned foreign subsidiary during the year. At the year-end, the outstanding balances of such loans aggregated Rs. 652.56 lakhs and the maximum amount involved during the year was Rs. 652.56 lakhs. The loan being given to a wholly owned foreign subsidiary, in our opinion, the terms and conditions of the loan are not prejudicial to the interest of the Company.
- (v) In our opinion and according to the information and explanations given to us, and having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining quotations, there is an adequate internal control system commensurate with size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable to the Company
- (viii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the Management has been commensurate with the size of the Company and the nature of its business.
- (ix) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company and hence clause 4 (viii) of the CARO is not applicable to the Company.
- (x) According to the information and explanations given to us in respect of statutory and other dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the

Employees State Insurance Act, 1948 is applicable to certain locations only and in respect of such locations, where contributions have been deducted/ accrued in the books of account by the Company, these have been regularly deposited during the year with appropriate authorities. We are also informed that in respect of certain locations application for exemptions from operation of Employees State Insurance Act, 1948 has been made, which are pending approval by the authorities.

- (b) There were no undisputed amounts payable in respect of Income Tax, Service Tax, Wealth tax, Customs Duty, Excise duty and cess and other material statutory dues in arrears as at March 31, 2011 for a period of more than six months from the date they became payable except for Service Tax of Rs 2.98 lakhs which has since been paid.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax and Excise duty which have not been deposited as on March 31, 2011 on account of disputes are given below:

Sl. No.	Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in Lakhs)
1	Sales Tax Act	Sales Tax	Asst. Commissioner Commercial Taxes, Cuttack	1998-99	4.91
			Sales Tax Appellate Tribunal Hyderabad, Andhra Pradesh	1996-97	7.58
			Asst. Commissioner Commercial Taxes, Ernakulam	2003-04	65.30
			Deputy Commissioner (Appeals), Durg	2004-05 & 2005-06	20.33
			Jt. Commissioner of Sales Tax, Kolkata	2006-07	15.86
			Appellate Tribunal, Ranchi	2006-07	8.81
			Jt. Commissioner of Sales Tax, Kolkata	2007-08	516.31
2	Central Excise Duty Act	Excise Duty and Service Tax	Asst. commissioner Central Excise Custom & Service tax	1992-93	10.17
			CESTAT, Kolkata	2001-02 to 2006-07	955.06
			Commissioner Central Excise (Appeals), Kolkata	2002-03 to 2006-07	19.70
			Addl. Commissioner, Service Tax Kolkata	2003-04 to 2004-05	98.69
			CESTAT, Kolkata	2005-06 to 2006-07	63.16
3	Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	1998-99, 2002-03 & 2005-06	22.60
			CIT (Appeals)	2001-02 & 2002-03	2.87

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According to the information and explanations given to us, there are no dues of wealth tax, customs duty, and cess as on March 31, 2011 which have not been deposited by the Company on account of any dispute.

- (xi) The Company does not have accumulated losses as at March 31, 2011 and has not incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.
- (xii) In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. There are no debentures issued by the Company.
- (xiii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities.
- (xiv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions are not *prima facie* prejudicial to the interests of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used for long term investments.
- (xvii) The Company has not made preferential allotment of shares to parties and companies, covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xviii) The Company has not issued any debentures during the year.
- (xix) The Company has not raised funds by way of public issue during the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 302009E)

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

Kolkata, 12th May, 2011

Balance Sheet as at March 31, 2011

March 31, 2010
Rupees in lakhs

	Schedule	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	March 31, 2010 Rupees in lakhs
FUNDS EMPLOYED					
SHARE CAPITAL	1		1,100.44		1,100.44
RESERVES AND SURPLUS	2		<u>15,705.17</u>		<u>15,877.71</u>
TOTAL SHAREHOLDERS' FUNDS				16,805.61	16,978.15
SECURED LOANS	3		23,645.02	—	13,095.73
UNSECURED LOANS	4		<u>—</u>		<u>1,500.00</u>
TOTAL LOANS				<u>23,645.02</u>	
TOTAL				<u>40,450.63</u>	<u>31,573.88</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	5		6,201.88		5,580.44
Less : Depreciation			<u>3,086.18</u>		<u>2,833.26</u>
Net Block				3,115.70	2,747.18
Capital work-in-progress (including Capital Advances Rs. 230.36 lakhs Previous year Rs.103.90 lakhs)				1,091.14	174.19
INVESTMENTS	6			10,985.95	7,966.45
DEFERRED TAX ASSETS (NET) (Refer note (xiii) on Schedule 20)				193.93	251.53
CURRENT ASSETS, LOANS & ADVANCES					
Interest Accrued On Investments			3.53		5.31
Inventories and contracts in progress	7		7,846.55		6,902.32
Debtors	8		45,043.99		37,620.34
Cash and bank balances	9		2,610.22		2,568.88
Loans and advances	10		<u>15,131.50</u>		<u>13,157.81</u>
			<u>70,635.79</u>		<u>60,254.66</u>
Less :					
CURRENT LIABILITIES AND PROVISIONS					
Current liabilities	11	42,984.23			36,780.31
Provisions	12	<u>2,587.65</u>			<u>3,039.82</u>
			<u>45,571.88</u>		<u>39,820.13</u>
NET CURRENT ASSETS				<u>25,063.91</u>	<u>20,434.53</u>
TOTAL				<u>40,450.63</u>	<u>31,573.88</u>
NOTES	20				

The annexed Schedules and Notes referred to above form an integral part of the Accounts.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

For and on behalf of the Board

Dr. JAMSHED J. IRANI
Chairman

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

TRF LIMITED

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Profit and Loss Account for the year ended March 31, 2011

	Schedule	Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
INCOME			
Sales and Services (Gross)		73,641.78	65,899.59
Less- Excise Duty		1,283.76	904.64
Net Sales and Services	13	72,358.02	64,994.95
Other income	14	870.28	365.31
		73,228.30	65,360.26
EXPENDITURE			
Raw materials and components		40,042.63	36,131.61
Payments to sub-contractors		18,030.83	10,129.79
Employee costs	15	4,573.79	4,308.51
Operation, administration and selling expenses	16	9,287.54	7,740.11
		71,934.79	58,310.02
(Increase) / Decrease in inventories and contracts in progress	17	(479.46)	(1,616.29)
		71,455.33	56,693.73
Depreciation & Amortisation		385.62	319.50
Interest	18	1,246.50	972.82
TOTAL EXPENDITURE		73,087.45	57,986.05
PROFIT BEFORE PRIOR PERIOD ITEMS AND TAXATION		140.85	7,374.21
Prior Period items (Refer note (xii) on schedule 19)		-	(239.91)
		140.85	7,134.30
Provision for Taxation			
Current Tax		42.94	2,575.00
Less : MAT credit entitlement		(42.94)	-
Deferred Tax		57.60	(158.57)
PROFIT AFTER TAXATION		83.25	4,717.87
Balance in Profit and Loss Account brought forward		1,557.49	1,802.03
AMOUNT AVAILABLE FOR APPROPRIATION		1,640.74	6,519.90
Proposed dividend		220.09	825.33
Tax on dividend		35.70	137.08
		255.79	962.41
Transfer to General Reserve		6.50	4,000.00
Balance carried to Balance Sheet		1,378.45	1,557.49
		1,640.74	6,519.90
Earning per share in Rs.-Basic/Diluted (Face value of Rs. 10 each) (Refer note (x) on schedule 19)		0.76	42.87
NOTES	19		

The annexed Schedules and Notes referred to above form an integral part of the Accounts.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

For and on behalf of the Board

Dr. JAMSHED J. IRANI
Chairman

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

Cash Flow Statement for the year ended March 31, 2011

	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Year Ended March 31, 2010 Rupees in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit Before Tax		140.85		7,134.30
Adjustments for :				
Depreciation	385.62		319.50	
Loss on sale of Assets/discarded assets written off	24.84		39.22	
Interest income	(129.28)		(7.19)	
Income from Investments	(59.96)		(31.36)	
Interest expenses	1,375.78		980.01	
ESS Compensation amortised	-		9.93	
		<u>1,597.00</u>		<u>1,310.11</u>
Operating Profit/ (Loss) before working capital changes		<u>1,737.85</u>		<u>8,444.41</u>
Adjustments for :				
Trade and other receivables	(7,133.96)		(9,066.01)	
Inventories	(944.23)		(2,307.65)	
Trade payables and Other Liabilities	<u>6,435.39</u>		<u>5,438.11</u>	
		<u>(1,642.80)</u>		<u>(5,935.55)</u>
Cash Generated from Operations		95.05		2,508.86
ESS Compensation paid	-		(40.59)	
Direct Taxes paid (net)		<u>(1,589.87)</u>	(2,358.53)	(2,399.12)
		<u>-</u>		
Net Cash from/(used) in Operating Activities		<u>(1,494.82)</u>		<u>109.74</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets(refer note 2)	(1,664.15)		(1,120.96)	
Sale of Fixed Assets	3.20		5.02	
Proceeds of redemption of investment in debentures	37.50		-	
Purchase of Investments in subsidiary	(3,032.88)		(5,307.75)	
Loan to subsidiary	(652.56)		-	
Advance to subsidiary companies	(45.07)		(39.46)	
Income from Investments	61.74		31.37	
Income from Interest received	<u>129.28</u>		<u>7.19</u>	
Net Cash used in Investing Activities		<u>(5,162.94)</u>		<u>(6,424.59)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Short term Borrowings (Net)	5,487.89		10,080.49	
Proceeds from Long term Borrowings (Net)	5,061.40		-	
Repayment of Commercial Paper	(1,500.00)		-	
Interest paid	(1,383.97)		(946.84)	
Dividend paid (including Income tax on Dividend)	<u>(966.22)</u>		<u>(755.46)</u>	
Net Cash from Financing Activities		<u>6,699.10</u>		<u>8,378.19</u>
Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)		<u>41.34</u>		<u>2,063.34</u>
Cash and Cash equivalents as at April 1, 2010		2,568.88		505.54
Cash and Cash equivalents as at March 31, 2011		2,610.22		2,568.88

Notes :

- Figures in brackets indicate outflows.
- Purchase of fixed assets include payments for items in capital work in progress.
- Cash and Cash equivalents represent Cash and Bank balances (Refer schedule 9).
- Previous year figures have been regrouped/restated wherever necessary.

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Dr. JAMSHED J. IRANI
Chairman

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

TRF LIMITED

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Schedules forming part of the Balance Sheet

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
1. SHARE CAPITAL		
Authorised :		
30,000,000 equity shares of Rs. 10 each	3,000.00	3,000.00
(Previous year 30,000,000 equity shares of Rs. 10 each)		
Issued and Subscribed :		
11,004,412 equity shares of Rs. 10 each fully paid	1,100.44	1,100.44
(Previous year 11,004,412 equity shares of Rs. 10 each)		
(i) Of the above shares		
(a) 50,000 equity shares of Rs.10 each were issued as fully paid, for consideration other than cash (conversion of loan into equity by ICICI).		
(b) 690,000 equity shares of Rs. 10 each were allotted to holders of 13.5% convertible bonds, on conversion of part of the bonds into fully paid equity shares.		
(c) 1,111,672 equity shares of Rs. 10 each were allotted to holders of 12.5% convertible debentures, on conversion of part of the debentures into fully paid equity shares.		
(d) 820,333 equity shares of Rs.10 each allotted as fully paid up for consideration other than cash pursuant to the scheme of amalgamation with erstwhile Tata Material Handling Systems Limited (TMHS) and Tata Technodyne Limited (TTDL).		
(e) 5,664,706 equity shares of Rs.10 each were issued by way of fully paid up bonus shares by capitalisation of General Reserve.		
ii) Issued and subscribed capital exclude 635 equity shares of Rs.10 each reserved for allotment to shareholders who were not able to subscribe to the Rights issue during the earlier years for genuine reasons or where title is temporarily in dispute.		
2. RESERVES AND SURPLUS		
Amalgamation Reserve	61.81	61.81
General Reserve		
Balance as on March 31, 2010	14,258.41	10,808.63
Less : Issue of Bonus shares	—	550.22
Add : Transfer from Profit and Loss Account	6.50	4,000.00
	14,264.91	14,258.41
Profit and Loss Account	1,378.45	1,557.49
	15,705.17	15,877.71
3. LOANS - Secured		
A From Banks		
(i) Buyers' Line of Credit	2854.62	756.68
(ii) Cash Credit Accounts		
(a) Central Bank of India	1,958.92	—
(b) Indian Bank	1,859.54	796.20
(c) Bank of Baroda	2,723.34	528.91
(d) Axis Bank	—	201.78
(e) Citi Bank	—	18.60
(f) State Bank of India	67.52	—
(g) Canara Bank	26.64	228.12
(iii) Short Term Loans		
(a) Central Bank of India	2,520.17	—
(b) Bank of Baroda	2,520.17	—
(c) HDFC Bank	—	2,512.74
(d) IDBI Bank	—	4,000.00
(iv) Long Term Loans		
(a) DBS Bank, Singapore *	6,090.53	4,052.70
(b) Dena Bank	3,023.57	—
	23,645.02	13,095.73

* Repayable in foreign currency

Schedules forming part of the Balance Sheet

Notes on Schedule 3

- 1 The Buyers' credit from Banks is repayable at the end of around 180 days from the drawdown dates. All the repayments are due in 2011-12.
- 2 Buyers' line of credit, Cash Credit and Short Term Loans from Banks are secured by hypothecation, ranking pari passu, of all tangible movable assets including in particular stocks of raw materials other than those purchased under Bill Discounting (Components) Scheme of Small Industries Development Bank of India (SIDBI), finished goods, work-in-progress, consumables, spares and other movable assets and book debts, outstandings and all other receivables. Facilities from Canara Bank and Central Bank of India are also secured, by hypothecation ranking pari passu, of fixed assets, present and future, except on an asset hypothecated to SIDBI as first charge.
- 3 Long Term Loan from DBS Bank is secured by pari passu first charge on the fixed assets of the Company.
- 4 Long Term Loan from Dena Bank is secured by pari passu first charge on the fixed assets and second charge on the current assets of the Company.

March 31, 2011 March 31, 2010
Rupees in lakhs Rupees in lakhs

4. LOANS - Unsecured

- (i) Commercial Papers
(Maximum balance outstanding during the year Rs.1,500 lakhs, previous year Rs. Nil.)
(Amount payable within one year Rs. Nil, previous year Rs. 1,500 lakhs.)

—	1,500.00
—	—
—	<u>1,500.00</u>

5. FIXED ASSETS

Rupees in lakhs

Particulars	Cost as at 31.03.2010	Additions	Deductions	Cost as at 31.03.2011	Depreciation as at 31.03.2010	Depreciation for the year	Deductions	Depreciation as at 31.03.2011	Net Block as at 31.03.2011	Net Block as at 31.03.2010
TECHNICAL KNOW-HOW	356.53	—	—	356.53	346.25	5.99	—	352.24	4.29	10.28
COMPUTER SOFTWARE	261.51	283.20	17.95	526.76	69.11	71.29	4.51	135.89	390.87	192.40
	618.04	283.20	17.95	883.29	415.36	77.28	4.51	488.13	395.16	202.68
TANGIBLE ASSETS										
BUILDINGS AND ROADS	1,170.62	66.60	1.26	1,235.96	306.48	57.45	1.22	362.71	873.25	864.14
PLANT AND MACHINERY	3,058.86	382.45	40.46	3,400.85	1,683.26	196.90	40.46	1,839.70	1,561.15	1,375.60
FURNITURE AND FIXTURES	246.00	30.31	42.22	234.09	151.81	9.50	31.59	129.72	104.37	94.19
OFFICE EQUIPMENT	103.47	9.68	11.14	102.01	55.82	11.06	8.19	58.69	43.32	47.65
MOTOR VEHICLES	255.50	8.92	32.70	231.72	135.92	29.29	32.70	132.51	99.21	119.58
ELECTRICAL INSTALLATION	117.54	1.02	14.94	103.62	76.62	3.92	13.96	66.58	37.04	40.92
LABORATORY EQUIPMENT	10.41	—	0.07	10.34	7.99	0.22	0.07	8.14	2.20	2.42
	4,962.40	498.98	142.79	5,318.59	2,417.90	308.34	128.19	2,598.05	2,720.54	2,544.50
GRAND TOTAL	5,580.44	782.18	160.74	6,201.88	2,833.26	385.62	132.70	3,086.18	3,115.70	2,747.18
	4,891.23	1,075.51	386.30	5,580.44	2,855.82	319.50	342.06	2,833.26	2,747.18	

Previous years' figures in italics

TRF LIMITED

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Schedules forming part of the Balance Sheet

	Rupees in lakhs	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
6. INVESTMENTS			
A. LONG TERM INVESTMENTS			
(At cost less provision for diminution in value)			
Trade Investments			
Unquoted			
1. 67,500 (Previous year 67,500) equity shares of Rs. 100 each fully paid in Tata Projects Limited		233.75	233.75
2. 3,750 (Previous year 3,750) 8% Debentures (non convertible portion) of Rs. 3,000 each fully paid in Tata Projects Limited, One third of the value redeemed during the year as per terms of issue.		75.00	112.50
Investment in Subsidiary Companies			
Unquoted			
3. Adithya Automotive Applications Private Limited, India (3,570,000 (Previous year 3,570,000) equity shares of Rs. 10 each)		357.00	357.00
4. TRF Singapore Pte. Ltd. Singapore 32,449,000 (Previous year 23,392,000) shares of Face value of SGD 1 each. (Acquired 9,057,000 shares during the year)		10,297.65	7,240.65
Other Investments			
Quoted			
5. 500 (Previous year 500) equity shares of Rs. 10 each fully paid in HDFC Bank Ltd.		0.05	0.05
Unquoted			
6. 137,500 (Previous year 137,500) equity shares of Rs. 10 each fully paid in Rujuvalika Investments Limited		22.50	22.50
7. 5 (Previous year 5) shares of Rs. 50 each fully paid in Twin Star Jupiter Co-operative Housing Society Limited (Book value Rs.250/-)		*	*
8. 30,000 (Previous year 30,000) equity shares of Rs. 10 each in Nicco Jubilee Park Ltd. (Net of provision for diminution in value) (Book value NIL)		—	—
		10,985.95	7,966.45
Notes :-			
(a) Aggregate amount of quoted investments		0.05	0.05
Market value as at 31.03.2011 Rs.11.77 Lakhs (as at 31.03.2010 : Rs. 9.66 lakhs)			
(b) Aggregate amount of unquoted investments		10,985.90	7,996.40
		10,985.95	7,996.45
7. INVENTORIES AND CONTRACTS IN PROGRESS			
Contracts in progress		3,069.25	1,900.34
Inventories			
Stores and spare parts		75.18	72.76
Loose tools		51.89	56.00
Raw materials		1,572.32	1,105.86
Work-in-progress		2,043.34	2,491.83
Finished products	890.40		1,091.46
Excise duty on finished products not assessed to duty	144.17		184.07
		1,034.57	1,275.53
		7,846.55	6,902.32
8. DEBTORS			
Unsecured			
Over six months old			
Considered good		21,115.58	15,629.63
– includes retention debtors of Rs. 15,793.51 lakhs (Previous year Rs. 11,113.79)			
Considered doubtful		765.79	638.45
Other debts			
Considered good		23,928.41	21,990.71
– includes retention debtors of Rs. 5,738.45 lakhs (Previous year Rs. 6,039.29)		45,809.78	38,258.79
Provision for doubtful debts		(765.79)	(638.45)
		45,043.99	37,620.34
Note : Unbilled Revenue forms part of Loans and Advances (Schedule 10)			

Schedules forming part of the Balance Sheet

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
9. CASH AND BANK BALANCES		
Cash on hand	16.23	18.97
Cheques on hand	141.52	944.89
Current accounts with Scheduled bank *	2,452.47	1,605.02
	2,610.22	2,568.88
*Includes debit balances in cash credit account Rs. 1,546.83 lakhs (Previous year Rs. 888.03 lakhs)		
10. LOANS AND ADVANCES		
Unsecured, considered good unless otherwise specified		
Interest free loan to subsidiary (TRF Singapore Pte Ltd.)	652.56	-
Advances recoverable in cash or in kind or for value to be received		
Advance against equity (TRF Singapore Pte Ltd.)	-	24.12
Advances to subsidiary companies		
Dutch Lanka Trailers Manufacturers Limited	30.47	15.34
Hewitt Robins International Ltd	3.66	-
York Transport (Asia) Pte Ltd	26.28	-
Other advances – considered good	8,282.83	5,013.63
– considered doubtful	51.23	51.23
Less : Provision	51.23	51.23
	8,282.83	5,013.63
Unbilled Revenue	4,462.23	7,849.07
Advance payment against taxes	1,589.87	222.01
MAT credit entitlement	42.94	-
Excise Deposits	40.66	33.64
	15,131.50	13,157.81
11. CURRENT LIABILITIES		
Acceptances *	1,175.52	799.44
Sundry Creditors		
(i) For goods and services supplied		
– Micro, Medium, & Small Enterprises	195.39	-
– Others	24,486.70	21,215.71
(ii) For Accrued wages and salaries	343.93	306.60
(iii) For other liabilities	821.06	901.03
Dues to Subsidiary companies **	73.99	2.29
Interest accrued but not due	59.96	33.17
Employee Separation Compensation ***	88.15	95.01
Investor Education & Protection Fund ****		
Unclaimed dividends	31.92	35.73
	27,276.62	23,388.98
Advances received from customers	9,130.98	9,912.85
Dues to customers for contracts in progress	6,576.63	3,478.48
	15,707.61	13,391.33
	42,984.23	36,780.31
* Bills discounted by suppliers with Small Industries Development Bank of India		
** Maximum amount due during the year to subsidiaries of Rs.73.99 lakhs (Previous year Rs. 58.93 lakhs)		
*** Includes Payable within one year under various schemes Rs.20.20 lakhs (Previous year Rs. 24.71 lakhs)		
**** There are no amount due and outstanding to be credited to the Investors Education and Protection fund.		
12. PROVISIONS		
Warranty expenses	138.00	99.00
Provisions for employee benefits		
(i) Leave salaries	400.68	358.99
(ii) Pension for whole-time directors	567.66	494.70
(iii) Retiring Gratuity	124.23	21.03
(iv) Other benefits	26.56	28.96
Taxation, less payments (Net)	1,074.73	1,074.73
Proposed Dividend	220.09	825.33
Tax on Dividend	35.70	137.08
	2,587.65	3,039.82

Schedules forming part of the Profit and Loss Account

13. CAPACITIES, STOCKS, PRODUCTION AND TURNOVER

Rupees in lakhs

(Previous year's figures in italics)

Sl. No.		Quantitative Denomination	Capacity	Opening Stock		Production	Turnover		Closing Stock	
			Installed	Units	Rs. in Lakhs	Units	Units	Rs. in Lakhs	Units	Rs. in Lakhs
1.	Idler Rollers	Units	48,000	5,680	169.50	38,962	42,172	2,133.53	2,470	107.69
			48,000	1,177	22.20	34,718	30,215	1,194.69	5,680	169.50
	Components for Idler Rollers		—	—	19.24	—	—	593.83	—	117.64
			—	—	40.49	—	—	453.40	—	19.24
2.	Vibrating Screens, etc.	Units	240	5	22.61	172	157	2,010.89	20	352.89
			240	7	75.02	70	72	1,458.57	5	22.61
	Components for Vibrating Screens, etc.		—	—	21.49	—	—	1,047.39	—	86.72
			—	—	9.38	—	—	743.26	—	21.49
3.	Sectional and Mine Conveyors	Units	40	—	464.62	—	—	4,557.75	—	30.56
			40	—	186.97	—	—	2,787.97	—	464.62
4.	Industrial Chains	Feet	—	—	—	—	—	—	—	—
			—	—	—	—	—	—	—	—
5.	Wire Screen Cloth	Pieces	2,400	—	—	12	12	2.66	—	—
			2,400	—	—	76	76	11.54	—	—
6.	Winders	Units	4	—	—	—	—	—	—	—
			4	—	—	—	—	—	—	—
7.	Tipplers	Units	8	1	156.04	8	9	1,916.15	—	3.72
			8	—	60.36	10	9	2,658.06	1	156.04
	Components for Tipplers		—	—	54.76	—	—	672.88	—	10.23
			—	—	—	—	—	193.17	—	54.76
8.	Crushers	Units	26	1	26.22	26	25	1,111.44	2	112.37
			26	1	36.41	26	26	927.62	1	26.22
	Components for Crushers		—	—	82.69	—	—	1,313.06	—	39.20
			—	—	28.67	—	—	713.16	—	82.69
9.	Ore, Coal Preparation Equipment	Units	3	—	—	—	—	—	—	—
			3	—	—	—	—	—	—	—
10.	(a) Material handling equipment including stackers, reclaimers, stacker-cum-reclaimers, shiploaders/unloaders, general conveyors, ore/coal handling plants and wagon loaders	Tonnes	6,600	—	—	27,251	27,251	54,155.69	—	—
	(b) Ore dressing plant and coal preparation plant including coal washeries		6,600	—	—	14,258	14,258	52,022.06	—	—
11.	Stamping Charging Pushing Machines	Units	1	—	—	—	—	—	—	—
			1	—	—	—	—	—	—	—
12.	Charging Gas Cleaning Cars	Units	1	—	—	—	—	—	—	—
			1	—	—	—	—	—	—	—
13.	Crawler Mounted Side Dump Loaders and under carriages for Underground Mining	Units	10	—	—	4	4	65.98	—	—
			10	—	—	5	5	79.50	—	—
14.	Wheel Mounted Front Dump Loaders and under carriages for Underground Mining	Units	10	—	—	—	—	—	—	—
			10	—	—	—	—	—	—	—
15.	Coal Cutters (Shearer-cum-loaders)	Units	—	—	—	—	—	—	—	—
			—	—	—	—	—	—	—	—
16.	Components other than those above		—	—	74.29	—	—	1,761.76	—	29.38
			—	—	3.99	—	—	753.13	—	74.29
17.	Jobbing/Machining charges							61.48		
								29.91		
18.	Engineering,Procurement,Construction and Management jobs							—		
19.	Maintenance service contract, Agency commission etc.							953.53		
								968.91		
20.	Excise duty on finished goods not assessed to duty				184.07					144.17
					73.32					184.07
					1,275.53			72,358.02		1,034.57
					536.81			64,994.95		1,275.53

NOTES :

- Licensed capacity is not applicable in terms of the Government of India's Notification no. S.O. 477 (E) dt. 25th July, 1991.
- Installed capacity is as certified by the Managing Director and accepted by the auditors, this being a technical matter.
- Quantitative information in respect of item 3 above has not been furnished, as these constitute components, etc. which it is not practicable to aggregate.
- The weight shown under item 10 above is the finished weight of fabrication work done by the Company for material handling equipment, etc., This is certified by the Managing Director and relied on by the auditors, being a technical matter.
- Opening and closing stocks of components include internally manufactured components for sale as well as for assembly of equipment to be manufactured by the Company.
- Quantity/ value of stocks shown above is after adjustment of shortages/ excesses found on physical count, write-off of unserviceable items etc.,
- Quantitative information in respect of components has not been furnished as these are of dissimilar nature and the aggregation of the quantities will not be meaningful.
- (i) Production figures shown above are net of returns.
(ii) Production figures for item 1 to 9 include items for use on contracts.
Accordingly turnover shown under items 1 to 9 above includes quantity and value at internal works transfer rates of Company manufactured products transferred during the year to contracts. The aggregate value of such transfers is adjusted from the turnover value shown in item 10.
- (iii) The manufacture and supply of some of the components and equipments is spread over more than one year. The Company simultaneously manufacture components parts and equipment for more than one order including for use by Project and Services Segment. The manufactured components and equipment are transferred to Project and Service Segment or invoiced on delivery to customers and the value is reflected in the turnover of the year in which these are so transferred or delivered. However, production of the equipment is reflected in the year in which it is considered fully or substantially complete on the basis of technical estimates by the management.
- (iv) Production figures for item 10(a) and 10(b) include production at project sites.
- (i) Sales shown in item 10(a) above includes sales and services erroneously recognised in the earlier year which was reversed in the previous year refer note (xii) on schedule 19.

Schedules forming part of the Profit and Loss Account

	Year ended March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
14. OTHER INCOME		
Income from long term investments		
Trade	57.84	29.25
(Gross inclusive of tax deducted at source Rs.1.00 lakhs Previous year Rs. 2.04 lakhs)		
Other than trade	2.12	2.11
Gains on Foreign Exchange Fluctuation (net)	120.38	153.06
Bad Debts Recovered	–	2.48
Sale of Scraps & Stores	–	4.26
Excess Liability written back	520.97	84.17
Rent recoveries	21.69	21.78
Miscellaneous receipts	147.28	68.20
	870.28	365.31
15. EMPLOYEE COSTS		
Salaries, wages, other benefits and provision for bonus	3,437.67	3,309.44
Company's contribution to provident fund, superannuation fund and gratuity fund	621.48	486.76
Workmen and staff welfare expenses	407.26	376.27
Leave salaries	107.38	136.04
	4,573.79	4,308.51
16. OPERATION, ADMINISTRATION AND SELLING EXPENSES		
Stores, spare parts and loose tools consumed	665.30	491.56
Repairs to buildings	408.23	229.41
Repairs to plant and machinery	139.32	95.67
Repairs to office equipment	41.26	53.49
Power, fuel and water charges	204.96	217.34
Travelling, conveyance and car running expenses	996.05	822.62
Rent	329.74	324.66
Rates, taxes and licences	130.51	33.45
Sales Tax	757.86	907.60
Excise duty	521.64	494.47
Service tax	1,152.07	421.23
Insurance	80.45	95.20
Freight and handling charges	779.87	629.98
Bank charges	310.92	330.97
Service charges	434.61	316.57
Professional fees	985.89	726.10
Telephone expenses	100.33	93.30
Directors' fees and Commission	16.80	19.80
Bad debts written off	65.49	550.82
Provision for doubtful debts & advances	127.34	153.00
Liquidated Damages	441.80	–
Provision of Warranty Expenses	39.00	7.00
Loss on sale of Fixed Assets (Net)	24.84	39.22
Other expenses	533.26	686.65
	9,287.54	7,740.11

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Schedules forming part of the Profit and Loss Account

	Year ended March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
17. (INCREASE) / DECREASE IN INVENTORIES AND CONTRACTS IN PROGRESS		
Opening Inventories and contracts in progress		
Finished products	1,275.53	536.81
Work- in-progress	2,491.83	746.84
Contracts in progress	1,900.34	2,631.07
	5,667.70	3,914.72
Add : Prior Period Adjustment for contracts in progress (Refer note (xii) on Schedule 19)	–	136.69
	5,667.70	4,051.41
Closing Inventories and contracts in progress		
Finished products	1,034.57	1,275.53
Work- in-progress	2,043.34	2,491.83
Contracts in progress	3,069.25	1,900.34
	6,147.16	5,667.70
	(479.46)	(1,616.29)
18. INTEREST		
On loans for fixed periods from banks	448.42	105.28
On cash credit and other facilities from banks	888.68	828.09
Others	73.66	46.64
	1,410.76	980.01
Less: Interest Capitalised	34.98	–
	1,375.78	980.01
Less: Interest received on deposits, advance etc.	129.28#	7.19
(Gross inclusive of tax deducted at source Rs. 0.29 lakhs Previous year Rs. 1.28 lakhs)	1,246.50	972.82
# Includes Rs. 122.93 lakhs received from customer on delayed payment.		
19. STATEMENT FORMING PART OF THE PROFIT AND LOSS ACCOUNT		
i) Managerial Remuneration to Managing Director, Whole time directors and non-whole time Directors		
(a) Salaries (including Company's contribution to Provident fund & Superannuation Fund)	84.12	91.12
(b) Perquisites	3.21	4.81
(c) Sitting Fees	16.80	19.80
(d) Commission to whole time directors	–	46.00
(e) Commission to non whole time director	–	50.00
	104.13	211.73
ii) Computation of net profit in accordance with Section 309(5) of the Companies Act, 1956		
Profit before taxation as per Profit and Loss Account	140.85	7,134.30
Add : a) Managerial remuneration	104.13	211.73
b) Employee Separation/ Voluntary Retirement Compensation	–	9.93
c) Provision for warranty expenses	39.00	7.00
d) Provision for Doubtful debts / (write back)	127.34	153.00
Net Profit as per Section 309(5)	411.32	7,515.96
Note :		
1. Managerial remuneration paid during the year 2010-11 Rs. 8,732,691 has exceeded the limit calculated under Schedule XIII to the Companies Act, 1956 by Rs. 3,932,691. The Company is in the process of filing the application to the Central Government seeking its approval for the said remuneration paid over the limit and subsequent approval at the Annual General Meeting.		
2. In addition, the Managing Director and other Whole time Director are entitled to use of company motor car and telephone with internet facilities. The above figures do not include certain retirement benefits like pension, gratuity, leave encashment etc. for the Managing Director and other Whole time Director as separate figures are not available and pension of Rs.35.76 lakhs (Previous year Rs. 27.28 lakhs) paid to former Directors and retirement benefits of Rs. Nil (Previous year Rs. 23.75) paid to a former Executive Director.		

Schedules forming part of the Profit and Loss Account

		Year ended March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
19. STATEMENT FORMING PART OF THE PROFIT AND LOSS ACCOUNT (Contd.)			
iii)	Auditors' remuneration (excluding service tax)		
	Audit fees	36.99	38.58
	In other Capacities :		
	– Tax Audit	3.50	3.50
	– Corporate Governance Certification	0.50	0.50
	Reimbursement of Out of pocket expenses	4.31	1.17
		Year ended March 31, 2011	Year ended March 31, 2010
		Quantity Rupees in lakhs	Quantity Rupees in lakhs
iv)	Raw materials and components consumed		
	Quantitative denomination		
1.	Steel Tonnes	35,797 11,112.97	24,526 7,784.64
2.	Forgings Tonnes	932 650.05	340 214.19
3.	Tubes Meters	134,238 868.49	64,568 356.02
4.	Castings Units	36,869 147.26	57,474 80.37
5.	Bearings Units	290,635 943.97	180,940 791.45
6.	Beltings Meters	40,183 1,635.16	22,478 950.24
7.	Others *	24,684.73	25,954.70
		40,042.63	36,131.61
<p>The consumption figures shown above are after adjustment of excesses and shortages found on physical count, write-off of unserviceable items etc. Further, the consumption of steel as indicated above is after adjusting credit in respect of scrap Rs. 591.79 lakhs (Previous year Rs. 406.65 lakhs).</p> <p>* Others represent electrical and bought out items. These items being dissimilar in nature it is impracticable to furnish the quantitative information in this regard.</p>			
v)	Consumption of imported and indigenous raw materials and components, stores and spare parts and the percentage of each to total consumption		
		Year ended March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
Raw materials and components			
	Imported	5.69% 2,279.39	3.48% 1,256.49
	Indigenously obtained	94.31% 37,763.24	96.52% 34,875.12
		100.00% 40,042.63	100.00% 36,131.61
Stores and spare parts			
	Imported	0.73% 4.83	9.48% 46.59
	Indigenously obtained	99.27% 660.47	90.52% 444.97
		100.00% 665.30	100.00% 491.56
vi)	CIF value of imports		
(a)	Raw materials and components	4,197.41	1,304.64
(b)	Stores and spare parts	32.70	15.82
(c)	Capital Goods	NIL	378.25

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Schedules forming part of the Profit and Loss Account

	Year ended March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
19. STATEMENT FORMING PART OF THE PROFIT AND LOSS ACCOUNT (Contd.)		
vii) Earnings in foreign exchange: F.O.B. value of exports (including deemed export of Rs.45,276.10 lakhs, Previous year : Rs 32,565.02 lakhs) – Deemed export under Chapter 8 of Foreign Trade policy	46,171.92	32,657.97
viii) Expenditure in foreign currency (on payment basis)		
(a) Travel	57.46	37.01
(b) Engineering Support Service	127.76	19.59
(c) Know - how	90.58	–
(d) Professional fees	12.97	4.40
(e) Interest	160.55	65.45
(f) Other	7.17	18.32
ix) Remittance in foreign currency on account of dividends for 2008-09	13.05	
Number of non-resident shareholders	1	
Number of shares	108,750	
Remittance in foreign currency on account of dividends for 2009-10	16.31	–
Number of non-resident shareholders	1	Nil
Number of shares	217,500	Nil
In addition, in respect of 614,554 (Previous year: 353,788) shares held by 228 (Previous year: 182) non-resident shareholders an amount of Rs. 46.09 lakhs (Previous year: Rs. 42.45 Lakhs) has been paid in India. The Company does not have information whether this amount has been remitted in foreign currency by the non-resident shareholders.		
x) EARNINGS PER SHARE		
(a) Profit after tax as per the Profit and Loss Account	83.25	4,717.87
(b) Weighted average number of equity shares of Rs.10/- each outstanding during the year	11,004,412	11,004,412
(c) Earning per share- Basic and diluted (Rs.)	0.76	42.87
xi) Excise Duty (including education cess and higher education cess) included under Operation, administration and selling expenses comprises:		
Excise Duty on Finished Goods not assessed to duty	(39.90)	110.75
Excise Duty on construction contracts inclusive of duties	418.04	361.83
Excise Duty on warranty despatches, differential duty etc.	143.50	21.89
	<u>521.64</u>	<u>494.47</u>
xii) The Company had disclosed in the notes to the accounts for the year ended March 31, 2010, that the management had initiated an independent investigation into the matter of incorrect recording of costs in earlier years. The investigation is over and the report has been taken on record by the Board of Directors of the Company. The investigation report confirmed the existence of certain contract costs recorded without underlying transactions in earlier years. The wrong costs and the consequential revenues recorded in the earlier years were reversed in the accounts for the year ended March 31, 2009 and March 31, 2010 and required no further adjustment in the current year. The details of prior period items are as follows :		
Sales & services erroneously recognised in previous year, corresponding adjustment/reversal in	–	1,149.56
– Raw Material and components	–	60.96
– Payments to sub-contractors	–	712.00
– Contracts in progress	–	136.69
– Net	–	<u>(239.91)</u>

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011

(i) SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared on accrual basis following the historical cost convention in accordance with generally accepted accounting principles in India and the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant presentation requirements of the Companies Act, 1956

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee benefits, assessment of income taxes, estimated cost of contract and useful lives of fixed assets. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(c) FIXED ASSETS

Tangible Fixed Assets

Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated/ depreciation. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Interest on borrowings during the period of construction is added to the cost of fixed assets.

Intangible Assets

Intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the assets economic benefits are consumed.

(d) DEPRECIATION AND AMORTISATION

Tangible Assets

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

Intangible Assets

(a) Technical Knowhow

The expenditure is amortised over the estimated period of benefit, not exceeding six years commencing with the date of purchase of the technology.

(b) Software Expenditure

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

(e) IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its recoverable amount which is higher of net realisable value and value in use.

(f) INVESTMENTS

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

(g) INVENTORIES

Raw materials, work-in-progress and finished goods are valued at lower of cost and net realisable value. Stores and spare parts and loose tools are carried at cost less obsolescence.

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

(h) REVENUE RECOGNITION (OTHER THAN CONTRACTS)

Revenue is recognised on completion of sale of goods / rendering of services. Sales excludes sales tax collected from customers.

(i) ACCOUNTING OF CONTRACTS

Contract Revenue is recognised on percentage completion method as required under Accounting Standard 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

estimated reliably and for contracts valued up to Rs.100 crores, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crores, profit is recognised either at 25% stage of completion or an expenditure of Rs.40 crores whichever is higher. When it is probable that the total cost will exceed the total contract revenue, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

(j) FOREIGN EXCHANGE TRANSACTIONS

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities relating to foreign currency transactions are translated at year end exchange rates. The difference in translation and realised gains/losses are recognised in the Profit and Loss Account.
- ii) In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Any Profit or Loss arising on cancellation or renewal of such a forward exchange contract is recognised in the Profit and Loss Account.

(k) EMPLOYEE BENEFITS

- i) All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Short -term Employee Benefits are recognised as an expense in the profit and loss account of the year in which the related service is rendered.
- ii) Company's contributions towards Provident Fund and Superannuation Fund paid /payable during the year are charged to the Profit and Loss Account of the year in which the employee renders the related service.
- iii) Company's liability towards gratuity, long term compensated absences and pension to whole time directors are determined by independent actuaries, using the projected unit credit method. Past services are recognised on a straight line basis over the average period until the benefit become vested. Actuarial gains or losses are recognised immediately in the statement of profit & loss account as income or expense. Obligation is measured at present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.
- iv) Company's liabilities towards post -retirement medical benefits for separated employees, farewell gifts, long service awards and Early Separation Compensation (ESS) are measured at the present value of estimated future cash flows as per the requirements of Accounting Standard-15 on "Employee Benefits".
- v) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

(l) SEGMENT REPORTING

Segment accounting policies are in line with policies of the company. In addition, the following policies have been followed for segment reporting:

- i) Segment revenues include sale and other income directly attributable with/allocable to the segment including inter segment revenue.
- ii) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the company as a whole and not allocable to Segments are included under "unallocable corporate expenditure".
- iii) Incomes which relate to the company as a whole and not allocable to segments are included under "unallocable corporate income".
- iv) Segment assets and liabilities include those which are directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those which relate to the company as a whole and are not allocable to any segment.

(m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

(n) TAXES ON INCOME

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence in respect of Deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax can be realised.

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(o) **BORROWING COST**

Borrowing costs that are attributable to the manufacturing, acquisition or construction of qualifying assets are included as part of the cost of such assets.

A qualifying asset is one that necessarily takes more than twelve months to get ready for intended use or sale.

Other borrowing costs are recognised as expense in the period in which they are incurred.

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(ii) 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.10.54 lakhs (Previous year Rs.34.10 lakhs) against various orders, pending disposal of the appeals. This amount is included under Schedule 10 - Loans and Advances, considered good.	575.52	106.33
(b) Excise duty and service tax matters in dispute relating to applicability and classification In respect of the above excise and service tax matters in dispute, the Company has deposited Rs.2.50 lakhs (Previous year Rs.2.50 lakhs) against various orders, pending disposal of the appeals. This amount is included under Schedule 10 - Loans and Advances, considered good.	1,114.29	1,114.29
(c) Income Tax matters in dispute	45.04	33.61
(d) Corporate guarantee given on behalf of subsidiary company (SGD 9.5 million) (Outstanding amount against the guarantee)	3,398.15 (1,982.25)	3,051.12 (2,797.12)
(e) Claims against the Company not acknowledged as debt	461.00	561.00
(f) Others	23.42	23.42
(iii) Estimated amount of contracts remaining to be executed on capital account and not provided for.	361.99	1089.97
(iv) Provision of Rs.138.00 lakhs (Previous year : Rs. 99.00 lakhs) has been made for anticipated warranty costs relating to certain products manufactured and sold by the Company upto March 31, 2011 on the basis of technical and available cost estimates.		
(v) Revision in projected profit/(loss) on contracts arising from change in estimates of cost to completion of contracts are reflected during the course of the work in each accounting year. These have not been disclosed in the Financial Statement as the effect cannot be accurately determined.		
(vi) The Company through its wholly owned subsidiary TRF Singapore Pte Ltd. entered into a Share Purchase Agreement on April,15, 2010 with existing shareholders of Hewitt Robins International Holding Limited, a United Kingdom based Company engaged in design, manufacturing of screens, mobile crushing and related products to acquire 100% shares in the Company for a consideration comprising of an initial purchase consideration of GBP 3.00 million and a future additional consideration based on future performance of the company. The acquisition has been funded by raising Commercial Borrowing of GBP 3.50 million from DBS Bank, Singapore to be repaid over a period of 4 years.		
(vii) No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors balances have been shown in the accounts as fully recoverable and have been disclosed as contingent liabilities under Claims against the Company not acknowledged as debt.		
(viii) Scrap and off-cuts at the contract sites are being accounted on cash basis, since segregation and quantification of such items at the financial year end is not practicable in view of the contracts being in progress. Stock of Works division scrap and off-cuts have been brought into account as on March 31, 2011 in accordance with past practice.		

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(ix) Construction Contracts Disclosure :

Information relating to Construction Contracts as per Accounting Standard 7 notified by the Companies (Accounting Standards) Rules, 2006 in respect of contracts entered on or after 01.04.2003 and in progress as at year end, is given below :

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
Contract revenue recognised as revenue during the year (including prior period items)		
Refer note (xii) on schedule 19)	56,929.52	53,777.13
Aggregate amount of contract costs incurred and recognised profits (less recognised losses)	204,681.84	152,744.47
Advance payments received (Un-adjusted)	8,281.87	8,426.15
Retention amount	19,232.01	16,120.79
Gross amount due from customers for contract work *	4,462.23	7,849.08
Gross amount due to customers for contract work **	6,554.85	3,434.86

For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 20 (i)(i) above

* Included in 'Advances recoverable in cash or in kind or for value to be received - considered good' - Schedule 10 -Loans & Advances

** Included in "dues to customers for contract in progress" - Schedule 11 - Current Liabilities

- (x) (a) The company has recognized in the Profit and Loss account an amount of Rs. 451.76 lakhs (Previous year Rs. 352.07 lakhs) under defined contribution plans.

	Rupees in lakhs	
Benefit (Contribution to)	March 31, 2011	March 31, 2010
Provident Fund *	230.65	174.29
Superannuation Fund	170.29	134.05
Employees Pension Scheme	50.82	43.73
	451.76	352.07

The Company's Provident fund is exempted under Section 17 of the employee's Provident Fund Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, in the interest rate declared by the Trust. Having regard to the assets of the Fund and the return on investments, the company does not expect any deficiency in the foreseeable future.

* Includes an amount of Rs. 66.66 lakhs (Previous year Rs. 32.00 lakhs) provided for shortfall of interest.

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

- a. Unfunded
 1. Leave encashment
 2. Pension to Directors
 3. Farewell Gifts
 4. Post Retirement Medical benefits of ex-employees.
- b. Funded
 1. Gratuity

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

	Rupees in lakhs									
Description	Leave encashment					Pension to Directors				
	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
1. Reconciliation of opening and closing balances of obligation										
a. Opening Obligation	358.99	296.56	232.68	203.67	185.51	494.71	450.10	334.92	247.31	205.63
b. Current Service Cost	49.20	42.99	35.12	30.85	25.14	33.80	74.36	62.28	44.80	42.16
c. Interest Cost	25.10	19.22	15.78	14.68	12.72	36.71	32.29	26.07	19.69	15.22
d. Contribution by plan participants	-	-	1.39	-	-	-	-	-	-	-
e. Acquisitions	0.29#									
f. Actuarial (Gain)/loss	33.08	73.83	82.54	35.03	33.34	38.20	(34.77)	44.91	40.40	(10.42)
g. Benefits paid	(65.98)	(73.61)	(70.95)	(51.55)	(53.04)	(35.76)	(27.28)	(18.08)	(17.28)	(5.28)
h. Closing Obligation	400.68##	358.99	296.56	232.68	203.67	567.66	494.70	450.10	334.92	247.31

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(c) Details of unfunded defined benefit obligations (Contd.)

Rupees in lakhs

Description	Leave encashment					Pension to Directors				
	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
2. Expense recognized in the period										
a. Current service cost	49.20	42.99	35.12	30.85	25.14	33.80	74.36	62.28	44.80	42.16
b. Interest cost	25.10	19.22	15.78	14.68	12.72	36.71	32.30	26.07	19.69	15.22
c. Actuarial (Gain)/loss	33.08	73.83	82.54	35.03	33.34	38.20	(34.77)	44.91	40.40	(10.42)
d. Expense recognized in the period. The expense is disclosed in the line item-Employee Costs (Schedule 15)	107.38	136.04	133.44	80.56	71.20	108.71	71.89	133.26	104.89	46.96
3. Assumptions										
a. Discount rate (per annum)	8.00%	7.70%	7.40%	8.00%	8.25%	8.00%	7.70%	7.40%	8.00%	8.25%
4. Experience Adjustment										
a. Defined Benefit Obligation	(400.68)##	(358.99)	(296.56)	(232.68)	(203.67)	(567.66)	(494.70)	(450.10)	(334.92)	(247.31)
b. Plan Assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c. Surplus/ (Deficit)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d. Experience Adjustments on Plan Liabilities	(42.05)	(54.87)	(70.40)	(31.00)	(36.95)	N.A	19.78	(19.10)	(7.38)	(7.61)
e. Experience Adjustment on Plan Assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Amount transferred from associate companies Rs.0.29 lakhs (Previous year Nil)

Includes Rs. 5.47 lakhs of unpaid liability pertaining to a subsidiary company

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

Rupees in lakhs

Description	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
1. Reconciliation of opening and closing balances of obligation					
a. Opening Obligation	992.61	964.28	892.67	827.79	828.43
b. Current Service Cost	62.82	45.81	39.39	34.12	33.28
c. Interest Cost	71.47	64.38	66.18	62.68	64.99
d. Contribution by Plan participants #	1.54	5.73	4.22	-	-
e. Actuarial (Gain)/Loss	88.91	101.01	92.73	104.07	(9.15)
f. Benefits paid	(128.81)	(188.60)	(130.91)	(135.99)	(89.79)
g. Closing Obligation	1,088.54##	992.61	964.28	892.67	827.79
The defined benefit obligation as at 31.03.11 is funded by the company					
2. Change in Plan Assets (Reconciliation of opening & closing balances)					
a. Opening fair value of plan assets	973.71	938.10	882.94	865.29	809.30
b. Expected return on Plan assets	75.00	73.13	68.22	67.50	31.37
c. Contribution by Plan participants #	1.54	5.73	-	-	-
d. Actuarial Gain/(loss)	(12.13)	10.35	47.31	(6.86)	7.38
e. Contributions	55.00	135.00	70.54	93.00	107.00
f. Benefits paid	(128.81)	(188.60)	(130.91)	(135.99)	(89.79)
g. Closing fair Value of Plan assets	964.31	973.71	938.10	882.94	865.29
3. Reconciliation of fair value of assets and obligations					
a. Closing fair value of Plan assets	964.31	973.71	938.10	882.94	865.29
b. Closing obligation	1,088.54##	992.61	964.28	892.67	827.78
c. Amount recognised in the balance sheet * (Schedule 12)	(124.23)	(18.90)	(26.18)	(9.73)	37.51
4. Expense recognized in the period					
a. Current service cost	62.82	45.81	39.39	34.12	33.28
b. Interest cost	71.47	64.38	66.18	62.68	64.99
c. Expected return on Plan assets	(75.01)	(73.13)	(68.22)	(67.50)	(31.37)
d. Actuarial (gain)/loss	101.05	90.66	45.42	110.92	(16.53)
e. Expense recognized in the period *	160.33	127.72	82.77	140.22	50.37
The expense is disclosed in the line item – Employees Cost (Schedule 15)					

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

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

Rupees in lakhs

Description	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
	% age invested	% age invested	% age invested	% age invested	% age invested
5. Investment Details					
a. GOI Securities	15.17	15.30	15.11	15.82	13.91
b. Public Sector unit (PSU) Bonds	29.59	30.27	28.27	25.4	26.06
c. State / Central Guranteed Securities	8.56	8.55	9.89	9.23	10.62
d. Special Deposit Schemes	43.72	43.49	44.55	46.83	48.98
e. Private Sector Bonds	1.81	1.79	1.83	0.77	–
f. Others (including bank balances)	1.15	0.60	0.35	1.95	1.43
	100.00	100.00	100.00	100.00	100.00
6. Assumptions					
a. Discount rate (per annum)	8.00%	7.70%	7.40%	8.00%	8.25%
b. Estimated rate of return on Plan assets (per annum)	8.00%	8.00%	8.00%	8.00%	8.00%
c. Rate of escalation in salary (per annum)	6.00%	6.00%	5.00%	5.00%	5.00%
The estimate of future salary increases take into account inflation , seniority, promotion and other relevant factors.					
7. Experience Adjustments					
a. Defined Benefit Obligation	(1,087.00)	(992.61)	(964.28)	(892.67)	(827.78)
b. Plan Assets at the end of the Period	964.31	973.71	938.10	882.94	865.29
c. Surplus/ (Deficit)	(122.68)	(18.90)	(26.18)	(9.73)	37.51
d. Experience Adjustments on Plan Liabilities	(107.36)	(66.32)	(62.83)	(92.52)	(30.51)
e. Experience Adjustment on Plan Assets	(12.13)	10.35	47.31	(6.86)	7.38

Amount transferred from associate companies Rs. 1.54 lakhs (Previous year Rs. 5.73 lakhs)

Includes Rs. 1.87 lakhs of unpaid liability pertaining to a subsidiary company

* The gratuity liability in respect of P&YE division of the Company is determined based on premiums charged by LIC under the group gratuity scheme. Expenses recognised in the period as disclosed above excludes Rs. 9.39 lakhs (Previous year Rs. 6.99 lakhs) contributions made by P& YE division to LIC. Amount recognised in the balance sheet as disclosed above excludes Rs.Nil (Previous year Rs. 2.13 lakhs) pertaining to P & YE division.

Disclosures pursuant to AS - 15 have not been made in respect of the Post retirement Gratuity plan of P&YE division as details have not been furnished by LIC to the company and the amounts are not expected to be material.

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

The major portions of the assets are invested in PSU bonds and Special Deposits. The long term estimate of the expected rate of return on the fund assets have been arrived at based on the asset allocation and prevailing yield rates on these asset classes. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

Disclosures pursuant to AS - 15 have not been made in respect of Farewell Gifts and Post Retirement Medical Benefits of ex-employees as the amounts are not expected to be material.

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(xi) SEGMENT REPORTING :

Rupees in lakhs

	2010 - 2011				2009 - 2010			
BUSINESS SEGMENT	PRODUCTS & SERVICES	PROJECTS & SERVICES	ELIMINATION	TOTAL	PRODUCTS & SERVICES	PROJECTS & SERVICES	ELIMINATION	TOTAL
SEGMENT REVENUE								
External Sales	14,100.66	58,257.36		72,358.02	9,833.40	55,161.55		64,994.95
Inter-segment Revenue	10,948.69	—	(10,948.69)	—	6,425.05		(6,425.05)	—
Total Revenue	25,049.35	58,257.36	(10,948.69)	72,358.02	16,258.45	55,161.55	(6,425.05)	64,994.95
SEGMENT RESULT- Profit before Prior Period items	4,384.15	(2,764.01)		1,620.14	2,640.12	5,497.36		8,137.48
Prior Period item (Refer note xii on schedule 19)		—		—		(239.91)		(239.91)
Segment Result - Profit after Prior Period items	4,384.15	(2,764.01)		1,620.14	2,640.12	5,257.45		7,897.57
Unallocated corporate expenditure (net)				373.19				149.97
Operating Profit				1,246.95				7,747.60
Interest Expenses (net)				1,246.50				972.82
Other Income				140.40				359.52
Profit Before Tax				140.85				7,134.30
Income Tax				42.94				2,575.00
MAT credit entitlement				(42.94)				—
Deferred Tax				57.60				(158.57)
Net Profit				83.25				4,717.87
OTHER INFORMATION	PRODUCTS & SERVICES	PROJECTS & SERVICES	UNALLOCATED	TOTAL	PRODUCTS & SERVICES	PROJECTS & SERVICES	UNALLO- CATED	TOTAL
SEGMENTAL POSITION	16,523.00	52,004.06		68,527.06	13,402.31	47,175.53		60,577.84
Unallocated Corporate Assets			17,495.45	17,495.45			10,816.14	10,816.14
Total Assets	16,523.00	52,004.06	17,495.45	86,022.51	13,402.31	47,175.53	10,816.14	71,393.98
Segment Liabilities	8,746.06	34,425.73		43,171.79	9,248.99	26,954.98		36,203.96
Unallocated Corporate Liabilities			26,045.12	26,045.11			18,211.87	18,211.87
Total Liabilities	8,746.06	34,425.73	26,045.12	69,216.90	9,248.99	26,954.98	18,211.87	54,415.83
Capital Expenditure	351.72	418.76	11.70	782.18	810.85	260.32	4.33	1,075.50
Depreciation	244.75	129.88	10.99	385.62	166.89	138.38	14.23	319.50
Non-cash expenses other than depreciation(ESS amortised)				—				9.93

Notes :

- Pursuant to the 'Accounting Standard on Segment Reporting' (AS-17) notified by the Companies (Accounting Standard) Rules 2006, the Company has considered 'business segment' as primary segment for disclosure. The Company has identified business segments mentioned below as primary segments :
 - Products & Services
 - Projects & Services
 There is no significant difference in the business conditions prevailing in various states of India, where the Company has its operation. Revenue from sales to external customers outside India is less than 10% of the Company's total revenue. Hence, geographical segment disclosures are not considered necessary.
- Unallocated corporate expenditure includes common service expenses. Unallocable income includes primarily dividend income from investments.
- Unallocated assets includes investments.
- Inter-segment revenue are at market driven agreed price.

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(xii) RELATED PARTY DISCLOSURES :

Information relating to Related Party Transactions as per Accounting Standard 18 notified by the Companies (Accounting Standards) Rules, 2006.

A) List of related Parties and Relationship

<u>Party</u>	<u>Relationship</u>
a) TRF Singapore Pte Ltd.	Subsidiary
YORK Transport Equipment (Asia) Pte Ltd.	Subsidiary - The Ownership of which is directly or indirectly through subsidiary (ies)
YORK Transport Equipment Pty Ltd.	
YORK Sales (Thailand) Co. Ltd.	
YTE Transport Equipment (SA) (Pty) Limited	
YORK Transport Equipment (Malaysia) Sdn Bhd	
Rednet Pte Ltd.	
PT YORK Engineering	
Eadda Pte Ltd.	
YTE Special Products Pte Ltd.	
Qingdao YTE Special Products Co. Ltd.	
YORK Transport Equipment India Pvt. Ltd.	
YORK Transport Equipment (Shanghai) Co. Ltd.	
Dutch Lanka Trailer Manufacturers Limited	
Dutch Lanka Engineering Pvt. Ltd.	
Dutch Lanka Trailers LLC.	
Hewitt Robins International Holding Ltd. #	
Hewitt Robins International Ltd. #	
# w.e.f April 15, 2010	
b) Adithya Automotive Application Pvt. Ltd.	Subsidiary
c) Tata Steel Limited	Entity holding 32.58%
d) Key Management Personnel Mr. Sudhir Deoras	Managing Director

Schedules forming part of the Accounts

B) Related Party Transaction

Rupees in lakhs
(Previous year's figures in italics)

	Subsidiary	Associate	Key Management Personnel
A Transactions during the year ended March 31, 2011.			
(i) Sales and Services (net of discounts)			
Tata Steel Ltd		8,708.59	
York Transport Equipment (India) Pvt Ltd	66.54	2,144.11	
	78.77		
(ii) Purchase of raw materials			
Tata Steel Ltd		3,855.28	
Hewitt Robins International Ltd	74.00	2,734.16	
	—		
(iii) Payment towards various services obtained			
Tata Steel Ltd		204.48	
		190.42	
(iv) Loan Given			
TRF Singapore Pte Ltd	652.56		
	—		
Investment in equity in TRF Singapore Pte Ltd	3,057.00		
	—		
(v) Leasehold Rent			
Tata Steel Ltd.		31.73	
		10.87	
(vi) Expenses/ Overheads charged/(including rent)			
York Transport Equipment (Asia) Pte Ltd	6.12		
	2.33		
York Transport Equipment (India) Pvt Ltd	70.15		
	98.67		
Dutch Lanka Trailer Manufacturers Ltd	15.13		
	15.34		
Hewitt Robins International Ltd	3.66		
	—		
(vii) Dividend Paid			
Tata Steel Ltd		268.90	
		229.60	
(viii) Remuneration Paid			
Mr. Sudhir Deoras			87.33
			116.62
Mr. Ramesh Chander Nandrajog			—
			49.07
(ix) Bad Debts Written Off		—	
Tata Steel Ltd.		32.28	
(x) Provisions for Claims			
Tata Steel Ltd.		100.00	
		—	
B) Balance as on March 31, 2011.			
(i) Guarantees Outstanding			
Given by the Company on behalf of			
TRF Singapore Pte. Ltd. (SGD 9,500,000)	3,398.15		
	3,051.12		
(ii) Receivables			
Tata Steel Ltd.		4,200.41	
		1,017.45	
York Transport Equipment (India) Pvt Ltd	45.96		
	30.42		
York Transport Equipment (Asia) Pte Ltd	8.45		
	(2.30)		
Dutch Lanka Trailer Manufacturers Ltd	30.47		
	15.34		
TRF Singapore Pte Ltd	652.56		
	24.12		
Claims against the Company not acknowledged as debt			
Tata Steel Limited		461.00	
		561.00	
Provisions for claims			
Tata Steel Limited		100.00	
		—	
(iii) Payables			
Tata Steel Ltd		533.18	
		333.01	
Hewitt Robins International Ltd	70.33		
	—		

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

(xiii) DEFERRED TAX (arising out of timing differences)	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(a) Deferred Tax Assets		
Provision for doubtful debts & advances	271.39	229.10
Provision for Contingencies	9.97	66.44
Provision for Warranty	45.85	32.89
Others, including employee leave encashment	133.10	119.25
	<u>460.31</u>	<u>447.68</u>
(b) Deferred Tax Liabilities		
Depreciation	266.38	196.15
	<u>266.38</u>	<u>196.15</u>
Net Deferred Tax (Liability)/Asset	193.93	251.53

(xiv) Sundry creditors include dues to parties covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2011 (Schedule 11 - Current liabilities) is as under.

	March 31, 2011 Rupees in lakhs	Year ended March 31, 2010 Rupees in lakhs
(i) The Principal amount remaining unpaid to supplier as at the end of accounting year	195.39	—
(ii) The Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	1.53	—
(iii) The amount of interest paid in terms of sec 16, along with the amount of payment made to supplier beyond the appointment day during the year 2010-11	—	—
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under this act)	10.43	0.10
(v) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	11.96	0.10

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

(xv) Particulars in respect of Loans And Advances in the nature of Loans as required by clause 32 of the Listing agreement :

Name of the Company	Balance as at		Maximum Outstanding during the year	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
A. Loans and Advances in the nature of loans where repayment schedule is not specified				
i) TRF Singapore Pte Limited, Singapore	652.56	—	652.56	—

(xvi) (a) In respect of one (Previous year: Nil) outstanding forward exchange contract for USD 11.25 lakhs (Previous year: Nil), the premium / discount on the contract to be recognised in the profit and loss account in the subsequent period is Rs. 9.23 Lakhs (Previous year: Nil) and the amount recognised in the profit and loss account for the current year Rs. 13.89 lakhs (Previous year: Nil). The net difference in foreign exchange debited to the profit and loss account arising out of such forward transactions in the current period is Rs.6.47 lakhs (Previous year: Nil). These forward contract has been entered into by the Company to hedge the installment payable on the foreign currency term loan.

Schedules forming part of the Accounts

20. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

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

	March 31, 2011		March 31, 2010	
	USD Equivalent (Lakhs)	INR Equivalent (Rs. in Lakhs)	USD Equivalent (Lakhs)	INR Equivalent (Rs. in Lakhs)
A. Amount receivable in foreign currency on account of the following				
Exports of goods & services	18.06	814.76	46.01	2,073.95
Advance towards Import of goods & services	8.84	398.94	7.01	317.21
Advance to subsidiary TRF Singapore	14.47	652.56	—	—
B. Amount payable in foreign currency on account of the following:				
Import of goods and services	10.48	472.60	19.70	886.59
Advance against Export of goods & services	1.37	61.70	6.30	234.62
Capital Imports	0	—	90.00	4,052.70
Loan Payable	122.31	5516.15	—	—
Interest Payable	1.06	47.98	0.72	32.33
Payable to subsidiary - Hewitt Robins International holding Limited	1.56	70.33	—	—

- (xvii) The Company has agreed to provide contingent support to its wholly owned direct subsidiary (WOS), TRF Singapore Pte Ltd. only in the event of the WOS being unable to generate the required liquidity internally or externally.

- (xviii) Figures for the previous year have been regrouped and restated wherever necessary.

Signature to Schedules 1 to 20
For and on behalf of the Board

Dr. JAMSHED J. IRANI
Chairman

Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

SUDHIR DEORAS
Managing Director

TRF LIMITED

Fortyeighth annual report 2010-11

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No.	L	7	4	2	1	0	J	H	1	9	6	2	P	L	C	0	0	0	7	0	0
Balance Sheet Date	3	1		0	3		1	1								0	3				

II. Capital Raised during the Year : (Amount in Rs. Thousand)

Public Issue	N	I	L																		
Bonus Issue	N	I	L																		
Rights Issue	N	I	L																		
Private Placement	N	I	L																		
Others	N	I	L																		

III. Position of Mobilisation and Deployment of Funds : (Amount in Rs. Thousand)

Total Liabilities	4	0	4	5	0	6	3														
Sources of Funds																					
Paid-up Capital		1	1	0	0	4	4														
Secured Loans	2	3	6	4	5	0	2														
Application of Funds																					
Net Fixed Assets		4	2	0	6	8	4														
Net Current Assets	2	5	0	6	3	9	1														
Deferred Tax				1	9	3	9	3													
Total Assets	4	0	4	5	0	6	3														
Reserves & Surplus	1	5	7	0	5	1	7														
Unsecured Loans																					
Investments	1	0	9	8	5	9	5														
Misc. Expenditure																					

IV. Performance of Company : (Amount in Rs. Thousand)

Turnover	7	2	3	5	8	0	2														
Profit/(Loss) before Tax	+	-																			
	✓		1	4	0	8	5														

(Please tick appropriate box + for profit, — for loss)

Earning Per Share	+	-	0	.	7	6															
-------------------	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Total Expenditure	7	3	0	8	7	4	5														
Profit/Loss after Tax	+	-																			
	✓			8	3	2	5														

(Please tick appropriate box + for profit, — for loss)

Dividend Rate %	2	0																			
-----------------	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

V. Generic Names of Three Principal Products/Services of Company

Item Code No. (ITC Code)	8	4	2	8	3	2	0	0													
--------------------------	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--

Product Description

All types of material handling machinery/equipment such as stackers, reclaimers, stacker-cum-reclaimers, ship loaders/unloaders, general conveyors.

All types of material handling systems such as coal/ore handling plants, ore dressing plant, coal preparation plant, coal washeries.

Item Code No. (ITC Code)	8	4	3	1	3	9	0	1													
--------------------------	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--

Product Description

All types of Idler Rollers

Item Code No. (ITC Code)	8	4	7	4	1	0	0	1													
--------------------------	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--

Product Description

All types of machinery/equipment for sorting, screening, separating, etc.

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TRF LIMITED

1. We have audited the attached Consolidated Balance Sheet of **TRF LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect the Group's share of total assets of Rs. 27,974.94 lakhs, as at 31st March, 2011, and the Group's share of total revenues of Rs 39,059.16 lakhs for the year ended on that date, and net cash inflows amounting to Rs. 820.39 lakhs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements and Accounting Standard 27, Financial Reporting of Interests in Joint Ventures as notified under the Companies (Accounting Standards) Rules, 2006.
5. As stated in note (ii)(h) of Schedule 19, for recognizing profit on contracts, stage of completion is determined as a proportion that contract costs

incurred for the work performed upto the closing date bear to the estimated total costs. Further, as stated in that note, the expected loss on contracts is recognized when it is probable that the total contract costs will exceed the total contract revenue. 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., which being technical matters have been relied on by us. Additionally, as stated in note (v) of Schedule 20 revisions in projected profit/loss arising from change in estimate etc. are reflected during the course of work in each accounting period in which the revisions have been made; the effect of these revisions has not been disclosed separately in the accounts, as the amounts thereof cannot be accurately determined;

6. Without qualifying our report, attention is invited to note (i) of Schedule 19 forming part of the financial statements regarding that the Company has paid Managerial Remuneration aggregating Rs. 39.33 lakhs to the Managing Director for the year which is subject to the approval of the Central Government;
7. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on other financial information of the components, and to the best of our information and according to the explanations given to us, in our opinion, subject to our comments in para 5 above, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

R. A. Banga
Partner
Kolkata, May 12th, 2011 Membership No: 37915

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES Consolidated Balance Sheet as at March 31, 2011

	Schedule	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	March 31, 2010 Rupees in lakhs
FUNDS EMPLOYED					
SHARE CAPITAL	1		1,100.44		1,100.44
RESERVES AND SURPLUS	2		13,380.05		13,616.54
TOTAL SHAREHOLDERS' FUNDS				14,480.49	14,716.98
MINORITY INTEREST (Refer note (i)(f) on Schedule 19)				6,866.32	5,974.51
SECURED LOANS	3		31,286.22		19,964.43
UNSECURED LOANS	4		1,545.41		1,697.52
TOTAL LOANS				32,831.63	21,661.95
DEFERRED TAX LIABILITY (NET) [Refer note (xvii) on schedule 19]				87.99	13.48
TOTAL				<u>54,266.43</u>	<u>42,366.92</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	5		15,708.71		12,398.22
Less : Depreciation			<u>7,317.93</u>		<u>6,227.93</u>
Net Block				8,390.78	6,170.29
Capital work-in-progress (including Capital Advances)				1,726.05	1,355.66
GOODWILL ON CONSOLIDATION				7,440.37	4,654.23
INVESTMENTS	6			331.50	369.00
DEFERRED TAX ASSETS (NET) [Refer note (xvii) on Schedule 19]				262.27	285.86
CURRENT ASSETS, LOANS & ADVANCES					
Interest Accrued on Investment			3.80		5.31
Inventories and contracts in progress	7		18,052.64		15,543.87
Debtors	8		52,228.22		41,984.49
Cash and bank balances	9		5,207.68		4,345.96
Loans and advances	10		<u>16,445.58</u>		<u>14,680.43</u>
			<u>91,937.92</u>		<u>76,560.06</u>
Less:					
CURRENT LIABILITIES AND PROVISIONS					
Current liabilities	11	52,634.17			43,754.83
Provisions	12	<u>3,188.29</u>			<u>3,273.35</u>
			<u>55,822.46</u>		<u>47,028.18</u>
NET CURRENT ASSETS				<u>36,115.46</u>	<u>29,531.88</u>
TOTAL				<u>54,266.43</u>	<u>42,366.92</u>
NOTES	19				

The annexed Schedules and Notes referred to above form an integral part of the Accounts.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

For and on behalf of the Board

Dr. JAMSHED J. IRANI
Chairman

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

TRF LIMITED AND ITS SUBSIDIARIES

Consolidated Profit and Loss Account for the year ended March 31, 2011

			Year Ended March 31, 2010
	Schedule	Rupees in lakhs	Rupees in lakhs
INCOME			
Sales and Services (Gross)		113,914.21	87,796.06
Less- Excise Duty		<u>2,558.51</u>	<u>1,204.20</u>
Net Sales and Services	13	111,355.70	86,591.86
Other income	14	<u>1,254.42</u>	<u>1,237.10</u>
		112,610.12	87,828.96
EXPENDITURE			
Raw materials and components		68,467.52	50,844.79
Payments to sub-contractors		18,371.00	10,338.55
Employee costs	15	8,302.18	6,914.10
Operation, administration and selling expenses	16	<u>16,324.73</u>	<u>11,808.19</u>
		111,465.43	79,905.63
(Increase) / Decrease in inventories and contracts in progress	17	<u>(2,102.25)</u>	<u>(1,399.99)</u>
		109,363.18	78,505.64
Depreciation		849.17	611.60
Interest	18	<u>1,755.21</u>	<u>1,250.76</u>
TOTAL EXPENDITURE BEFORE TRANSFER TO CAPITAL ACCOUNT		111,967.56	80,368.00
Expenditure Transferred to Capital and other accounts		<u>(69.30)</u>	<u>(107.01)</u>
TOTAL EXPENDITURE		111,898.26	80,260.99
PROFIT BEFORE PRIOR PERIOD ITEMS AND TAXATION		711.86	7,567.97
Prior Period items (Refer Note (viii) & (ix) on Schedule 19)		—	(181.20)
PROFIT BEFORE TAXATION		<u>711.86</u>	<u>7,386.77</u>
Provision for Taxation			
Current Tax		532.65	2,661.38
Less: MAT credit entitlement		<u>(42.94)</u>	<u>—</u>
Deferred Tax (Refer Note (xvii) on Schedule 19)		33.13	(151.47)
PROFIT AFTER TAXATION		189.02	4,876.86
Minority Interest (Refer note (i)(f) on Schedule 19)		<u>(162.09)</u>	<u>204.80</u>
PROFIT AFTER MINORITY INTEREST		26.93	4,672.06
Balance in Profit and Loss Account brought forward		<u>763.60</u>	<u>1,055.19</u>
AMOUNT AVAILABLE FOR APPROPRIATION		<u>790.53</u>	<u>5,727.25</u>
APPROPRIATIONS			
Proposed dividend		220.09	825.33
Tax on dividend		<u>35.70</u>	<u>138.32</u>
		255.79	963.65
Transfer to General Reserve		6.50	4,000.00
Balance carried to Balance Sheet		<u>528.24</u>	<u>763.60</u>
		790.53	5,727.25
Earning per share in Rs.-Basic/Diluted (Face value of Rs. 10 each)		0.24	42.46
(Refer note (xvi) on schedule 19)			
NOTES	19		

The annexed Schedules and Notes referred to above form an integral part of the Accounts.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

For and on behalf of the Board

Dr. JAMSHED J. IRANI
Chairman

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES

Consolidated Cash Flow Statement for the year ended March 31, 2011

	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Year Ended March 31, 2010 Rupees in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit Before Tax and after exceptional and extraordinary Items		711.86		7,386.77
Adjustments for :				
Depreciation	849.17		611.60	
(Profit)/Loss on Sale of Assets/discarded assets written off	25.14		41.82	
Interest income	(135.46)		(8.01)	
Income from Investments	(60.48)		(31.89)	
Interest expenses	1,890.67		1,251.29	
Expenditure Transferred to Capital and other accounts	(69.30)		-	
ESS Compensation amortised	-		9.93	
		<u>2,499.74</u>		<u>1,874.74</u>
Operating Profit before working capital changes		3,211.60		9,261.51
Adjustments for :				
Trade and other receivables	(9,444.33)		(10,696.02)	
Inventories	(1,355.68)		(2,567.96)	
Trade payables and Other Liabilities	7,379.88		8,053.83	
		<u>(3,420.13)</u>		<u>(5,210.15)</u>
Cash Generated from Operations		(208.53)		4,051.36
ESS Compensation paid	(6.86)		(40.59)	
Direct Taxes paid (net) (including Fringe Benefit Tax)	(1,558.67)	(1,565.53)	(2,395.94)	(2,436.53)
Foreign Exchange Gain/(loss) on consolidation		(49.65)		(805.17)
Net Cash used in Operating Activities		(1,823.70)		809.66
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(3,203.46)		(2,694.73)	
Sale of Fixed Assets	3.20		11.02	
Proceeds of redemption of investment in debentures	37.50			
Purchase of Investments in subsidiary	(2,114.06)		(4,778.43)	
Income from Investments	61.99		31.90	
Income from Interest received	135.46		8.01	
Net Cash from Investing Activities		(5,079.37)		(7,422.23)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Borrowings	10,412.41		10,486.78	
Issue of Share Capital	-		329.29	
Interest paid	(1,892.36)		(1,251.29)	
Dividend paid (Including Tax on Dividend)	(966.22)		(755.45)	
Net Cash from Financing Activities		7,553.83		8,809.33
Net increase/(Decrease) in Cash and Cash equivalents (A+B+C) (See note 3)		650.76		2,196.76
Cash and Cash equivalents as at 1st April 2010		4,345.96		2,149.20
Cash and Cash equivalents on acquisition of subsidiary		210.97		-
Cash and Cash equivalents as at 31st March, 2011		<u>4,996.71</u>		<u>4,345.96</u>

Notes:

- Figures in brackets indicate outflows.
- Purchase of fixed assets include payments for items in capital work in progress.
- Cash and Cash equivalents includes gain on foreign exchange revaluation of Rs. 148.96 lakhs (Previous year Rs. 55.87 lakhs)
- Cash and Cash equivalents represent Cash and Bank balances.
- Previous periods figures have been regrouped/restated wherever necessary.

For and on behalf of the Board

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Dr. JAMSHED J. IRANI
Chairman

R. A. BANGA
Partner
Kolkata, 12th May, 2011

PRASHANT KUMAR
Company Secretary

SUDHIR DEORAS
Managing Director
Kolkata, 12th May, 2011

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
1. SHARE CAPITAL		
Authorised :		
30,000,000 equity shares of Rs. 10 each (Previous year 30,000,000 Equity shares of Rs. 10 each)	<u>3,000.00</u>	<u>3,000.00</u>
Issued and Subscribed :		
11,004,412 equity shares of Rs.10 each fully paid (Previous year 11,004,412 equity shares of Rs. 10 each)	<u>1,100.44</u>	<u>1,100.44</u>
(i) Of the above shares		
(a) 50,000 shares of Rs.10 each were issued as fully paid, for consideration other than cash (conversion of loan into equity by ICICI).		
(b) 690,000 equity shares of Rs. 10 each were allotted to holders of 13.5% convertible bonds, on conversion of part of the bonds into fully paid equity shares.		
(c) 1,111,672 equity shares of Rs. 10 each were allotted to holders of 12.5% convertible debentures, on conversion of part of the debentures into fully paid equity shares.		
(d) 820,333 equity shares of Rs.10 each allotted as fully paid up for consideration other than cash pursuant to the scheme of amalgamation with erstwhile Tata Material Handling Systems Limited (TMHS) and Tata Technodyne Limited (TTDL).		
(e) 5,664,706 equity shares of Rs.10 each were issued by way of fully paid up bonus shares by capitalisation of General Reserve.		
(ii) Issued and subscribed capital exclude 635 equity shares of Rs.10 each reserved for allotment to shareholders who were not able to subscribe to the Rights issue during the earlier years for genuine reasons or where title is temporarily in dispute.		
2. RESERVES AND SURPLUS		
Amalgamation Reserve	61.81	61.81
Legal Reserve		
Balance as on March 31, 2010	(0.05)	
Add: Exchange differences arising on consolidation	<u>0.05</u>	
	—	(0.05)
General Reserve		
Balance as on March 31, 2010	14,258.41	10,808.63
Less: Issue of Bonus Shares	—	550.22
Transfer from Profit and Loss Account	<u>6.50</u>	<u>4,000.00</u>
	14,264.91	14,258.41
Foreign Currency Translation Reserve		
Balance as on March 31, 2010	(1,467.23)	(39.25)
Add/ (less) Prior Period Items (Refer Note (viii) on Schedule 19)	—	(620.57)
Add/(less): Profit/(Loss) on re-statement of net investment in foreign operations (see note below)	(0.49)	(16.25)
Add/(less): Exchange differences arising out of consolidation	<u>(7.19)</u>	<u>(791.16)</u>
	(1,474.91)	(1,467.23)
Profit and Loss Account	<u>528.24</u>	<u>763.60</u>
	<u>13,380.05</u>	<u>13,616.54</u>

Note :

Certain advances due from York Transport Equipment Pty Ltd., Australia to York Transport Equipment (Asia) Pte Ltd. have been considered as net investment in foreign operations effective January 1, 2008. Loss on foreign exchange fluctuations thereon of Rs. 0.49 lakhs (as at March 31, 2010 - loss of Rs. 16.25 lakhs) have been included in the Foreign Currency Translation Reserve.

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet

3. LOANS - Secured

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
Buyers Line of credit	2,854.62	756.68
Cash Credits/Bank Overdraft from Banks	7,517.12	1,888.02
Long Term Loans from Banks	13,444.26	9,240.89
Short Term Loans from Banks	7,453.61	7,809.97
Lease Finance from Banks	7.66	18.55
Hire Purchase Creditors	8.96	250.32
	31,286.22	19,964.43

1. The Buyers' credit from Banks is repayable at the end of around 180 days from the drawdown dates. All the repayments are due in 2011-12.
2. Buyers' line of credit, Cash Credit and Short Term Loans from Banks are secured by hypothecation, ranking pari passu, of all tangible movable assets including in particular stocks of raw materials other than those purchased under Bill Discounting (Components) Scheme of Small Industries Development Bank of India (SIDBI), finished goods, work-in-progress, consumables, spares and other movable assets and book debts, outstandings and all other receivables. Facilities from Canara Bank and Central Bank of India are also secured, by hypothecation ranking pari passu, of fixed assets, present and future, except on an asset hypothecated to SIDBI as first charge.
3. Long Term Loan from DBS Bank is secured by pari passu first charge on the fixed assets of the Company.
4. Long Term Loan from Dena Bank is secured by pari passu first charge on the fixed assets and second charge on the current assets of the Company.
5. Term Loan from National Bank of Australia is secured by a first mortgage charge over free hold land and specific building.
6. Hire Purchase facility from Malayam baning Berhad is secured by a charge over the respective assets.
7. Long term loan from Standard chartered Bank is hypothecated against Land, Building and immovable machinery.
8. Long term loan from Sampath Bank is hypothecated against Stock in trade and Book debts.
9. Long term Loan facility from Tata Capital is hypothecated against Companies Land & Building and other Fixed assets.
10. Long term loan from Hatton National Bank is against corporate guarantee from Dutch Lanka Trailer Manufacturers Ltd.

4. LOANS - Un Secured

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(i) Commercial Papers (Maximum balance outstanding during the year Rs. 5,500 lakhs, Previous year Rs. 1,500 lakhs.) (Amount payable within one year Rs. Nil) (Previous year Rs. 1,500 lakhs)	–	1,500.00
(ii) Inter Company Deposits	–	197.52
(iii) Long term loan from Banks	676.05	–
(iv) Short term loan from Banks	869.36	–
	1,545.41	1,697.52

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet

5. FIXED ASSETS

Rupees in lakhs

	Cost as at 31.03.2010	Prior Period items (See note 2 below)	Cost of assets of new Companies (See note 1 below)	Additions	Deductions	Currency Realignment	Cost as at 31.03.2011	Depreciation as at 31.03.2010	Prior Period items (See note 2 below)	Accumulated Depreciation of New Companies (see note 1 below)	Depreciation for the year	Deduction	Currency Realignment	Total Depreciation as at 31.03.2011	Net Block as at 31.03.2011	31.03.2010
INTANGIBLE ASSETS																
TECHNICAL KNOW-HOW	739.62	—	—	—	—	43.15	782.77	716.39	—	—	7.26	—	39.63	763.28	19.49	23.23
TRADE MARK	—	—	—	76.62	—	(0.14)	76.48	—	—	—	5.11	—	—	5.11	71.37	—
COMPUTER SOFTWARE	324.87	—	—	393.88	17.95	1.39	702.19	79.97	—	—	90.75	4.51	0.18	166.39	535.80	244.90
	<u>1,064.49</u>	<u>—</u>	<u>—</u>	<u>470.50</u>	<u>17.95</u>	<u>44.40</u>	<u>1,561.44</u>	<u>796.36</u>	<u>—</u>	<u>—</u>	<u>103.12</u>	<u>4.51</u>	<u>39.81</u>	<u>934.78</u>	<u>626.66</u>	<u>268.13</u>
TANGIBLE ASSETS																
LAND	860.47	—	—	—	—	17.63	878.10	—	—	—	—	—	—	—	878.10	860.47
BUILDINGS & ROADS	3,946.95	—	27.06	959.91	1.26	144.15	5,076.81	1,214.83	—	24.02	208.59	1.22	52.29	1,498.51	3,578.30	2,732.12
PLANT & MACHINERY	4,565.15	—	100.44	1,074.01	40.46	57.12	5,756.26	2,786.86	—	98.22	362.34	40.46	47.24	3,254.20	2,502.06	1,778.29
FURNITURE & FIXTURES	422.13	—	16.65	69.75	42.22	3.66	469.97	284.30	—	14.75	30.81	31.59	2.12	300.39	169.58	137.83
OFFICE EQUIPMENT	767.03	—	—	64.76	11.71	42.06	862.14	646.91	—	—	43.36	8.46	41.06	722.87	139.27	120.12
MOTOR VEHICLES	608.61	—	62.75	102.55	32.70	16.59	757.80	396.36	—	39.67	85.80	32.70	14.06	503.19	254.61	212.25
ELECTRICAL INSTALLATION	152.98	—	—	196.94	14.94	0.87	335.85	94.32	—	—	14.93	13.96	0.56	95.85	240.00	58.66
LABORATORY EQUIPMENT	10.41	—	—	—	0.07	—	10.34	7.99	—	—	0.22	0.07	—	8.14	2.20	2.42
	<u>11,333.73</u>	<u>—</u>	<u>206.90</u>	<u>2,467.92</u>	<u>143.36</u>	<u>282.08</u>	<u>14,147.27</u>	<u>5,431.57</u>	<u>—</u>	<u>176.66</u>	<u>746.05</u>	<u>128.46</u>	<u>157.33</u>	<u>6,383.15</u>	<u>7,764.12</u>	<u>5,902.16</u>
GRAND TOTAL	<u>12,398.22</u>	<u>—</u>	<u>206.90</u>	<u>2,938.42</u>	<u>161.31</u>	<u>326.48</u>	<u>15,708.71</u>	<u>6,227.93</u>	<u>—</u>	<u>176.66</u>	<u>849.17</u>	<u>132.97</u>	<u>197.14</u>	<u>7,317.93</u>	<u>8,390.78</u>	<u>6,170.29</u>
<i>Previous years figures in Italic</i>	<i>9,148.19</i>	<i>(118.71)</i>	<i>1,566.37</i>	<i>2,190.13</i>	<i>397.51</i>	<i>9.75</i>	<i>12,398.22</i>	<i>5,607.11</i>	<i>(86.69)</i>	<i>383.40</i>	<i>611.60</i>	<i>344.67</i>	<i>57.18</i>	<i>6,227.93</i>	<i>6,170.29</i>	

Note :

- Represents assets & accumulated depreciation of Hewitt Robins International Holdings Limited which have become subsidiary of the Company during the period.
- For prior period adjustment refer note (viii) of Schedule 19.

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TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
6. INVESTMENTS		
A. LONG TERM INVESTMENTS		
(At cost less provision for diminution in value)		
Trade Investments		
Unquoted		
1. 67,500 (Previous year 67,500) equity shares of Rs. 100 each fully paid in Tata Projects Limited	233.75	233.75
2. 3,750 (Previous year 3,750) 8% debentures (non convertible portion) of Rs. 3,000 each fully paid in Tata Projects Limited, One third of the value redeemed during the year as per terms of issue.	75.00	112.50
Other Investments		
Quoted		
3. 500 (Previous year 500) equity shares of Rs. 10 each fully paid in HDFC Bank Ltd.	0.05	0.05
Unquoted		
4. 1,37,500 (Previous year 1,37,500) equity shares of Rs. 10 each fully paid in Rujuvalika Investments Limited	22.50	22.50
5. 5 (Previous year 5) shares of Rs. 50 each fully paid in Twin Star Jupiter Co-operative Housing Society Limited (Book value Rs.250/-)	—	—
6. 30,000 (Previous year 30,000) equity shares of Rs. 10 each in Nicco Jubilee Park Ltd. (Net of provision for diminution in value) (Book value NIL)	—	—
7. 2,800 (Previous year 2800) equity shares of Lanka IOC Ltd. of Lankan Rupees 27 each (Net of provision for diminution in value)	0.20	0.20
	331.50	369.00
Notes :-		
(a) Aggregate amount of quoted investments : Market value as at 31.03.2011, Rs. 11.77 lakhs (As at 31.03.2010 Rs. 9.66 Lakhs)	0.05	0.05
(b) Aggregate amount of unquoted investments	331.45	368.95
	331.50	369.00
7. INVENTORIES AND CONTRACTS IN PROGRESS		
Contracts in progress	3,069.25	1,900.34
Inventories		
Stores and spare parts	96.79	72.76
Loose tools	51.89	56.00
Raw materials	7,813.01	7,484.35
Work-in-progress	2,536.81	2,697.66
Finished products	4,484.89	3,332.76
	18,052.64	15,543.87

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
8. DEBTORS		
Unsecured		
Over six months old		
Considered good	21,837.73	15,786.23
- includes retention debtors of Rs. 15,794.86 lakhs (Previous year Rs. 11,113.79)		
Considered doubtful	858.22	704.23
Other debts		
Considered good	30,390.49	26,198.26
- includes retention debtors of Rs. 5738.45 lakhs (Previous year Rs. 6,039.29)		
Considered doubtful	—	—
	<u>53,086.44</u>	<u>42,688.72</u>
Provision for doubtful debts	<u>(858.22)</u>	<u>(704.23)</u>
	<u>52,228.22</u>	<u>41,984.49</u>
Note : Unbilled revenue forms part of Loans and Advances (Schedule 10)		
9. CASH AND BANK BALANCES		
Cash on hand	23.65	26.90
Cheques on hand	141.59	944.89
Remittance in Transit	223.10	172.96
Current accounts with - Scheduled banks	3,374.61	1,992.39
Current Account and deposit with Non Schedule Banks	<u>1,444.73</u>	<u>1,208.82</u>
	<u>5,207.68</u>	<u>4,345.96</u>
# Includes debit balances in cash credit account Rs. 1546.83 lakhs (Previous year Rs. 888.03 lakhs)		
10. LOANS AND ADVANCES		
Unsecured, considered good unless otherwise specified		
Advances recoverable in cash or in kind or for value to be received		
- Considered good	10,178.28	6,406.61
- Considered doubtful	51.23	51.23
Less : Provision	<u>51.23</u>	<u>51.23</u>
	10,178.28	6,406.61
Advance Payment Against Taxes	1,637.01	222.01
MAT credit entitlement	42.94	
Unbilled Revenue	4,462.23	7,849.07
Excise Deposits	<u>125.12</u>	<u>202.74</u>
	<u>16,445.58</u>	<u>14,680.43</u>
11. CURRENT LIABILITIES		
Acceptances *	3,284.20	1,800.69
Sundry Creditors		
i) For goods and services supplied		
- Micro, Medium & small Enterprises	195.39	—
- Others	30,455.44	25,939.10
ii) For Accrued wages and salaries	657.11	677.62
iii) For other liabilities	1,904.78	1,664.34
Employee Separation Compensation **	88.15	95.01
Investor Education & Protection Fund ***		
Unclaimed dividends	31.92	35.73
Interest accrued but not due on loans	<u>112.17</u>	<u>78.88</u>
	36,729.16	30,291.37
Advances received from customers	9,328.38	9,984.98
Dues to customers for contracts in progress	<u>6,576.63</u>	<u>3,478.48</u>
	<u>15,905.01</u>	<u>13,463.46</u>
	<u>52,634.17</u>	<u>43,754.83</u>

* Bills discounted by suppliers with Small Industries Development Bank of India and Australia and New Zealand Banking group Ltd.

** Includes payable within one year under the various schemes Rs. 20.20 lakhs (Previous years Rs. 24.71 lakhs)

*** There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
12. PROVISIONS		
Warranty expenses	376.70	190.18
Provisions for employee benefits		
(i) Leave salaries	460.28	403.58
(ii) Pension for whole-time directors	568.60	495.49
(iii) Retiring Gratuity	166.65	49.07
(iv) Other benefits	26.56	30.25
Taxation, less payments (Net)	1,333.71	1,142.37
Proposed Dividend	220.09	825.33
Tax on Dividend	35.70	137.08
	3,188.29	3,273.35
13. SALES AND SERVICES		
Projects and services	58,257.36	55,161.55
Products and services (Gross)	55,656.86	32,634.51
Less : Excise Duty	(2,558.52)	(1,204.20)
	53,098.34	31,430.31
	111,355.70	86,591.86
14. OTHER INCOME		
Income from long term investments		
Trade	57.84	29.25
(Gross inclusive of tax deducted at source Rs. 1.00 lakhs Previous year Rs. 2.04 lakhs)		
Other than trade	2.64	2.11
Gain on foreign Exchange Fluctuation (net)	373.33	953.34
Bad Debts Recovered	2.17	3.01
Sale of scrap & stores	15.65	20.72
Excess Liability written back	557.53	88.17
Rent recoveries	16.62	21.78
Miscellaneous receipts	228.64	118.72
	1,254.42	1,237.10
15. EMPLOYEE COSTS		
Salaries, wages, other benefits and provision for bonus	6,732.58	5,567.81
Company's contribution to provident fund, superannuation fund and gratuity fund	878.90	667.71
Workmen and staff welfare expenses	529.96	490.66
Leave salaries	160.74	187.92
	8,302.18	6,914.10
16. OPERATION, ADMINISTRATION AND SELLING EXPENSES		
Stores, spare parts and loose tools consumed	899.30	769.99
Repairs to buildings	499.71	292.84
Repairs to plant and machinery	225.71	151.02
Repairs to office equipment	68.98	70.46
Power, fuel and water charges	418.41	336.59
Travelling, conveyance and car running expenses	1,791.24	1,319.88
Rent	772.85	582.05
Rates, taxes and licences	158.73	68.23
Sales Tax (net)	800.26	929.67

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Profit and Loss Account

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
16. OPERATION, ADMINISTRATION AND SELLING EXPENSES (Contd.)		
Excise duty (net)	521.64	494.47
Service tax (net)	1,157.00	422.85
Insurance	274.95	233.50
Freight and handling charges	3,278.73	1,911.00
Bank charges	497.08	427.69
Service charges	748.82	511.71
Professional fees	1,811.53	1,084.14
Telephone expenses	216.61	186.89
Directors' fees	16.80	19.80
Bad Debts written off	87.58	566.89
Provision for warranty expenses	110.81	112.79
Provision for doubtful debts & advances (net)	153.99	159.19
Liquidated Damages	441.80	-
Loss on sale of fixed assets (net)	25.14	41.82
Other expenses	<u>1,347.06</u>	<u>1,114.72</u>
	<u>16,324.73</u>	<u>11,808.19</u>
17. (INCREASE)/DECREASE IN INVENTORIES AND CONTRACTS IN PROGRESS		
Opening Inventories and contracts in progress		
Finished products	3,332.76	2,958.38
Work-in-progress	2,697.66	745.51
Contracts in progress	<u>1,900.34</u>	<u>2,631.07</u>
	7,930.76	6,334.96
Add: Inventory of new companies #	-	348.91
Add: Foreign Exchange Movement	57.97	(273.96)
Add: Prior period adjustment for contracts in progress (Refer note ix on Schedule 19)	-	136.69
Add: Prior period adjustments (Refer note (viii) on Schedule 19)	<u>-</u>	<u>(15.83)</u>
	7,988.73	6,530.77
Less:		
Closing Inventories and contracts in progress		
Finished products	4,484.89	3,332.76
Work-in-progress	2,536.84	2,697.66
Contracts in progress	<u>3,069.25</u>	<u>1,900.34</u>
	10,090.98	7,930.76
	<u>(2,102.25)</u>	<u>(1,399.99)</u>
#Represents Inventory of Hewitt Robins International Holding Limited and its subsidiaries that have become subsidiaries during the period.		
18. INTEREST		
On loans for fixed periods from Banks	682.68	239.58
On cash credit and other facilities from banks	1,168.35	940.25
Others	<u>74.62</u>	<u>79.47</u>
	1,925.65	1,259.30
Less Interest Capitalised	<u>34.98</u>	<u>-</u>
	1,890.67	-
Less: Interest received on deposits, advance etc.	<u>135.46#</u>	<u>8.54</u>
(Gross inclusive of tax deducted at source Rs. 0.29 lakhs Previous year Rs. 1.28 lakhs)	<u>1,755.21</u>	<u>1,250.76</u>
# includes Rs. 122.93 lakhs received from customer on delayed payment.		

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011

(i) Principles of Consolidation :

The Consolidated Financial Statements relate to TRF Limited (" the Company") and its subsidiary Companies. The Consolidated Financial Statements have been prepared on the following basis :

- The financial statements of the Company and its subsidiary companies have been combined on a line-by -line basis by adding together book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated as per Accounting Standard 21 - Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.
- In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing at the end of the year. Exchange gains / (losses) arising on conversion are recognised under Foreign Currency Translation Reserve.
- The financial statements of the subsidiaries, used in the consolidation are drawn up to the same reporting date as that of the Company i.e March 31, 2011.
- The excess of the cost to the Company, of its investment in the subsidiary company over the Company's portion of equity is recognised in the financial statement as Goodwill.
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

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

- the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - the minorities' share of movements' in equity since the date the parent subsidiary relationship came into existence.
- (f) Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group. However pursuant to shareholders agreement, certain minorities do not take part in the losses incurred during the year. Accordingly, no losses are transferred to such minorities.

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

Name of the Company	Proportion of ownership		Proportion of voting Power where different		Country of Incorporation
	2010-11	2009-10	2010-11	2009-10	
Subsidiaries					
TRF Singapore Pte Ltd.	100%	100%	—	—	Singapore
YORK Transport Equipment (Asia) Pte Ltd.	51%	51%	—	—	Singapore
YORK Transport Equipment Pty Ltd.	51%	51%	100%	100%	Australia
YORK Sales (Thailand) Co. Ltd.	51%	51%	100%	100%	Thailand
YTE Transport Equipment (SA) (Pty) Limited	51%	51%	100%	100%	South Africa
YORK Transport Equipment (Malaysia) Sdn Bhd	51%	51%	100%	100%	Malayasia
Rednet Pte Ltd.	51%	51%	100%	100%	Singapore
PT YORK Engineering	51%	51%	100%	100%	Indonesia
Eadda Pte Ltd.	51%	51%	100%	100%	Singapore
YTE Special Products Pte Ltd.	51%	51%	100%	100%	Singapore
Qingdao YTE Special Products Co. Ltd.	51%	51%	100%	100%	China
YORK Transport Equipment India Pvt. Ltd.	51%	51%	100%	100%	India
YORK Transport Equipment (Shanghai) Co. Ltd.	51%	51%	100%	—	China
Adithya Automotive Applications Pvt. Limited	51%	51%	—	—	India
Dutch Lanka Trailer Manufacturers Limited	51%	51%	—	—	Sri Lanka
Dutch Lanka Engineering Pvt. Ltd.	51%	51%	100%	100%	Sri Lanka
Dutch Lanka Trailers Manufactures LLC	35%	35%	100%	100%	Oman
Hewitt Robins International Ltd #	100%	—	—	—	United Kingdom
Hewitt Robins International Holding Ltd#	100%	—	—	—	United Kingdom
# w.e.f April 15, 2010					

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(ii) SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared on accrual basis following the historical cost convention in accordance with generally accepted accounting principles in India and the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant presentation requirements of the Companies Act, 1956.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee benefits, assessment of income taxes, estimated cost of contract and useful lives of fixed assets. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(c) FIXED ASSETS

Tangible Fixed Assets

Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated/ depreciation. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Interest on borrowings during the period of construction is added to the cost of fixed assets.

Intangible Assets

Intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the assets economic benefits are consumed.

(d) DEPRECIATION AND AMORTISATION

Tangible Assets

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

Intangible Assets

(a) Technical Knowhow

The expenditure is amortised over the estimated period of benefit, not exceeding six years commencing with the date of purchase of the technology.

(b) Software Expenditure

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

(e) IMPAIRMENT OF ASSETS

The carrying amount of fixed assets including Goodwill are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its recoverable amount which is higher of net realisable value and value in use.

(f) INVESTMENTS

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

(g) INVENTORIES

Raw materials, work-in- progress and finished goods are valued at lower of cost and net realisable value. Stores and spare parts and loose tools are carried at cost less obsolescence.

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

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(h) REVENUE RECOGNITION (OTHER THAN CONTRACTS)

Revenue is recognised on completion of sale of goods / rendering of services. Sales excludes sales tax collected from customers.

(i) ACCOUNTING OF CONTRACTS

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

(j) FOREIGN EXCHANGE TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities relating to foreign currency transactions are translated at year end exchange rates. The difference in translation and realised gains/losses are recognised in the Profit and Loss Account.
- (ii) In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Any Profit or Loss arising on cancellation or renewal of such a forward exchange contract is recognised in the Profit and Loss Account.

(k) EMPLOYEE BENEFITS

1. All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Short -term Employee Benefits are recognised as an expense in the profit and loss account of the year in which the related service is rendered.
2. Company's contributions towards Provident Fund and Superannuation Fund paid /payable during the year are charged to the Profit and Loss Account of the year in which the employee renders the related service.
3. Company's liability towards gratuity, long term compensated absences and pension to whole time directors are determined by independent actuaries, using the projected unit credit method. Past services are recognised on a straight line basis over the average period until the benefit become vested. Actuarial gains or losses are recognised immediately in the statement of profit & loss account as income or expense. Obligation is measured at present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.
4. Company's liabilities towards post -retirement medical benefits for separated employees, farewell gifts, long service awards and Early Separation Compensation (ESS) are measured at the present value of estimated future cash flows as per the requirements of Accounting Standard-15 on "Employee Benefits".
5. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

(l) SEGMENT REPORTING

Segment accounting policies are in line with policies of the company. In addition, the following policies have been followed for segment reporting :

- i) Segment revenues include sale and other income directly attributable with/allocable to the segment including inter segment revenue.
- ii) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the company as a whole and not allocable to Segments are included under " unallocable corporate expenditure".
- iii) Incomes which relate to the company as a whole and not allocable to segments are included under "unallocable corporate income".
- iv) Segment assets and liabilities include those which are directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those which relate to the company as a whole and are not allocable to any segment.

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

(n) TAXES ON INCOME

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence in respect of Deferred tax assets, on timing differences, being the difference between taxable Income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax can be realised.

(o) BORROWING COST

Borrowing costs that are attributable to the manufacturing, acquisition or construction of qualifying assets are included as part of the cost of such assets.

A qualifying asset is one that necessarily takes more than twelve months to get ready for intended use or sale.

Other borrowing costs are recognised as expense in the period in which they are incurred.

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(iii) 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.10.54 lakhs (Previous year Rs.34.10 lakhs) against various orders, pending disposal of the appeals. This amount is included under Schedule 9 - Loans and Advances, considered good.	575.52	106.33
(b) Excise duty and service tax matters in dispute relating to applicability and classification In respect of the above excise and service tax matters in dispute, the Company has deposited Rs.2.50 lakhs (Previous year Rs.2.50 lakhs) against various orders, pending disposal of the appeals. This amount is included under Schedule 9 - Loans and Advances, considered good.	1,114.29	1,114.29
(c) Taxation matters in dispute	45.03	33.61
(d) Claims against the Company not acknowledged as debt	461.00	561.00
(e) Others	23.42	23.42
(iv) Estimated amount of contracts remaining to be executed on capital account and not provided for.	1,053.22	1,089.97
(v) Provision of Rs.376.70 lakhs (Previous year : Rs 190.18 lakhs) has been made for anticipated warranty costs based on past experience of the level of repairs and returns.		
(vi) Revision in projected profit/(loss) on contracts arising from change in estimates of cost to completion of contracts are reflected during the course of the work in each accounting year. These have not been disclosed in the Financial Statement as the effect cannot be accurately determined.		

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(vii) In the previous year there had been a change in the accounting policy of certain foreign subsidiaries with respect to the change in functional currency. Such change had been given effect by restatement of the financials statements of the subsidiaries with effect from January 1, 2006 in accordance with IAS 21 on "The Effect of Changes in Foreign Exchange rates". The impact of the change in the accounting policy on the previous period was not disclosed separately as the effect could not be accurately determined. The restated figures used for consolidation were based on audited financial statements received from the statutory auditors of the subsidiary.

(viii) As a result of the restatement as referred to in note (vii) above, the Company had recognised a prior period income of Rs 58.71 lakhs in the previous period. The foreign currency translation reserve includes an adjustment of Rs. 620.57 lakhs (Dr) as prior period items. Other items of prior period included in the financials statements of the company for the previous period were as follows:

Minority Interest	Rs.	364.40 lakhs (Cr)
Secured Loans	Rs.	12.03 lakhs (Dr)
Deferred Tax Liabilities	Rs.	0.15 lakhs (Dr)
Fixed Assets	Rs.	32.02 lakhs (Cr)
Goodwill	Rs.	150.29 lakhs (Cr)
Net Current Assets	Rs.	53.95 lakhs (Cr)

(ix) The Company had disclosed in the notes to the accounts for the for year ended March 31, 2010, that the management had initiated an independent investigation into the matter of incorrect recording of costs in earlier years. The investigation is over and the report has been taken on record by the Board of Directors of the Company.

The investigation report confirmed the existence of certain contract costs recorded without underlying transactions in earlier years. The wrong costs and the consequential revenues recorded in the earlier years were reversed in the accounts for the year ended March 31, 2009 and March 31, 2010 and required no further adjustment in the current year. The details of prior period items are as follows:

	Year ended March 31, 2011	Year ended March 31, 2010
Sales and Services erroneously recognised in	—	1,149.56
— Raw Materials and components	—	60.96
— Payments to sub-contractors	—	712.00
— Contracts in progress	—	136.69
— Net	—	(239.91)

(x) No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors balances have been shown in the accounts as fully recoverable.

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

Stock of Works division scrap and off-cuts have been brought into account as on March 31, 2011 in accordance with past practice.

(xii) Construction Contracts Disclosure:

Information relating to Construction Contracts as per Accounting Standard 7 notified by the Companies (Accounting Standards)

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

Rules, 2006 in respect of contracts entered on or after 01.04.2003 and in progress as at year end, is given below :

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
Contract revenue recognised as revenue during the year	56,929.52	53,777.13
Aggregate amount of contract costs incurred and recognised profits (less recognised losses)	204,681.84	152,744.47
Advance payments received (Un-adjusted)	8,267.65	8,426.15
Retention amount	19,380.19	16,120.79
Gross amount due from customers for contract work *	4,462.23	7,849.08
Gross amount due to customers for contract work **	6,554.85	3,434.86

For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 19 (ii)(i) above.

* Included in 'Advances recoverable in cash or in kind or for value to be received - considered good' - Schedule 10 -Loans & Advances.

** Included in "dues to customers for contract in progress" - schedule 11 - Current Liabilities.

- (xiii) (a) The company has recognized in the Profit and Loss account an amount of Rs.451.76 lakhs (Previous year Rs.352.07 lakhs) under defined contribution plans.

Benefit (Contribution to)	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
Provident Fund *	230.65	174.29
Superannuation Fund	170.29	134.05
Employees Pension Scheme	50.82	43.73
	451.76	352.07

The Company's Provident fund is exempted under Section 17 of the employee's Provident Fund Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, in the interest rate declared by the Trust. Having regard to the assets of the Fund and the return on investments, the company does not expect any deficiency in the forceable future.

* Includes an amount of Rs.66.66 lakhs (Previous year Rs. 32.00 lakhs) provided for shortfall of interest.

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

- a. Unfunded
 1. Leave encashment
 2. Pension to Directors
 3. Farewell Gifts
 4. Post Retirement Medical benefits of ex-employees
- b. Funded
 1. Gratuity

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

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

Rs. In lakhs

Description	Leave encashment					Pension to Directors				
	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
1. Reconciliation of opening and closing balances of obligation										
a. Opening Obligation	358.99	296.56	232.68	203.67	185.51	494.71	450.10	334.92	247.31	205.63
b. Current Service Cost	49.20	42.99	35.12	30.85	25.14	33.80	74.36	62.28	44.80	42.16
c. Interest Cost	25.10	19.22	15.78	14.68	12.72	36.71	32.29	26.07	19.69	15.22
d. Contribution by plan participants	-	-	1.39	-				-	-	-
e. Acquisitions	0.29 #									
f. Actuarial (Gain)/loss	33.08	73.83	82.54	35.03	33.34	38.20	(34.77)	44.91	40.40	(10.42)
g. Benefits paid	(65.98)	(73.61)	(70.95)	(51.55)	(53.04)	(35.76)	(27.28)	(18.08)	(17.28)	(5.28)
g. Closing Obligation	400.68 ##	358.99	296.56	232.68	203.67	567.66	494.70	450.10	334.92	247.31
2. Expense recognized in the period										
a. Current service cost	49.20	42.99	35.12	30.85	25.14	33.80	74.36	62.28	44.80	42.16
b. Interest cost	25.10	19.22	15.78	14.68	12.72	36.71	32.30	26.07	19.69	15.22
c. Actuarial (Gain)/loss	33.08	73.83	82.54	35.03	33.34	38.20	(34.77)	44.91	40.40	(10.42)
d. Expense recognized in the period	107.38	136.04	133.44	80.56	71.20	108.71	71.89	133.26	104.89	46.96
The expense is disclosed in the line item - Employee Costs (Schedule 15)										
3. Assumptions										
a. Discount rate (per annum)	8.00%	7.70%	7.40%	8.00%	8.25%	8.00%	7.70%	7.40%	8.00%	8.25%
4. Experience Adjustment										
a. Defined Benefit Obligation	(400.68)	(358.99)	(296.56)	(232.68)	203.67	(567.66)	(494.70)	(450.10)	(334.92)	(247.31)
b. Plan Assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c. Surplus/ (Deficit)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d. Experience Adjustments on Plan Liabilities	(42.05)	(54.87)	(70.40)	(31.00)	36.95	N.A	19.78	(19.10)	7.38	(7.61)
e. Experience Adjustment on Plan Assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Amount transferred from associate companies Rs.0.29 lakhs (Previous year Nil)

Includes Rs. 5.47 lakhs of unpaid liability pertaining to a subsidiary company

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

Rupees in lakhs

Description	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
1. Reconciliation of opening and closing balances of obligation					
a. Opening Obligation	992.61	964.28	892.67	827.79	828.43
b. Current Service Cost	62.82	45.81	39.39	34.12	33.28
c. Interest Cost	71.47	64.38	66.18	62.68	64.99
d. Contribution by Plan participants #	1.54	5.73	4.22	-	-
e. Actuarial (Gain)/Loss	88.91	101.01	92.73	104.07	(9.15)
f. Benefits paid	(128.81)	(188.60)	(130.91)	(135.99)	(89.79)
g. Closing Obligation	1,088.54 ##	992.61	964.28	892.67	827.79
The defined benefit obligation as at 31.03.11 is funded by the company					

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

Description	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
2. Change in Plan Assets (Reconciliation of opening & closing balances)					
a. Opening fair value of plan assets	973.71	938.10	882.94	865.29	809.30
b. Expected return on Plan assets	75.00	73.13	68.22	67.50	31.37
d. Contribution by Plan participants #	1.54	5.73	-	-	-
c. Actuarial Gain/(loss)	(12.13)	10.35	47.31	(6.86)	7.38
d. Contributions	55.00	135.00	70.54	93.00	107.00
e. Benefits paid	(128.81)	(188.60)	(130.91)	(135.99)	(89.76)
f. Closing fair Value of Plan assets	964.31	973.71	938.10	882.94	865.29
3. Reconciliation of fair value of assets and obligations					
a. Closing fair value of Plan assets	964.31	973.71	938.10	882.94	865.29
b. Closing obligation	1,088.54 ##	992.61	964.28	892.67	827.78
c. Amount recognised in the balance sheet * (Schedule 12)	(124.23)	(18.90)	(26.18)	(9.73)	37.51
4. Expense recognized in the period					
a. Current service cost	62.82	45.81	39.39	34.12	33.28
b. Interest cost	71.47	64.38	66.18	62.68	64.99
c. Expected return on Plan assets	(75.01)	(73.13)	(68.22)	(67.50)	(31.37)
d. Actuarial (gain)/loss	101.05	90.66	45.42	110.92	(16.53)
e. Expense recognized in the period *	160.33	127.72	82.77	140.22	50.37
The expense is disclosed in the line item – Employees Cost (Schedule 15)					
5. Investment Details	%age invested	%age invested	%age invested	%age invested	%age invested
a. GOI Securities	15.17	15.30	15.11	15.82	13.91
b. Public Sector unit (PSU) Bonds	29.59	30.27	28.27	25.4	26.06
c. State / Central Guaranteed Securities	8.56	8.55	9.89	9.23	10.62
d. Special Deposit Schemes	43.72	43.49	44.55	46.83	48.98
e. Private Sector Bonds	1.81	1.79	1.83	0.77	-
f. Others (including bank balances)	1.15	0.60	0.35	1.95	1.43
	100.00	100.00	100.00	100.00	100.00
6. Assumptions					
a. Discount rate (per annum)	8.00%	7.70%	7.40%	8.00%	8.25%
b. Estimated rate of return on Plan assets (per annum)	8.00%	8.00%	8.00%	8.00%	8.00%
c. Rate of escalation in salary (per annum)	6.00%	6.00%	5.00%	5.00%	5.00%
The estimate of future salary increases take into account inflation , seniority, promotion and other relevant factors.					
7. Experience Adjustments					
a. Defined Benefit Obligation	(1,087.00)	(992.61)	(964.28)	(892.67)	(827.78)
b. Plan Assets at the end of the Period	964.31	973.71	938.10	882.94	865.29
c. Surplus/ (Deficit)	(122.68)	(18.90)	(26.18)	(9.73)	37.51
d. Experience Adjustments on Plan Liabilities	(107.36)	(66.32)	(62.83)	(92.52)	(30.51)
e. Experience Adjustment on Plan Assets	(12.13)	10.35	47.31	(6.86)	7.38

Amount transferred from associate companies Rs.1.54 (Previous year Rs.5.73 lakhs)

Includes Rs. 1.87 lakhs of unpaid liability pertaining to a subsidiary company.

* The gratuity liability in respect of P&YE division of the Company is determined based on premiums charged by LIC under the group gratuity scheme. Expenses recognised in the period as disclosed above excludes Rs. 9.38 lakhs (Previous year Rs. 6.99 lakhs) contributions made by P& YE division to LIC. Amount recognised in the balance sheet as disclosed above excludes Rs.Nil (Previous year Rs. 2.13 lakhs) pertaining to P & YE division. Disclosures pursuant to AS - 15 have not been made in respect of the Post retirement Gratuity plan of P&YE division as details have not been furnished by LIC to the company and the amounts are not expected to be material.

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

The major portions of the assets are invested in PSU bonds and Special Deposits. The long term estimate of the expected rate of return on the fund assets have been arrived at based on the asset allocation and prevailing yield rates on these asset classes. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

Disclosures pursuant to AS - 15 have not been made in respect of Farewell Gifts and Post Retirement Medical Benefits of ex-employees as the amounts are not expected to be material.

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

Rupees in Lakhs

(xiv) SEGMENT REPORTING	2010-11				2009-10			
PRIMARY BUSINESS SEGMENTS								
BUSINESS SEGMENT	PRODUCTS & SERVICES	PROJECTS & SERVICES	ELIMINATION	TOTAL	PRODUCTS & SERVICES	PROJECTS & SERVICES	ELIMINATION	TOTAL
SEGMENT REVENUE								
External Sales	53,098.34	58,257.36		111,355.70	31,430.31	55,161.55		86,591.86
Inter-segment Revenue	10,948.69	–	(10,948.69)	–	6,425.05		(6,425.05)	
Total Revenue	64,047.03	58,257.36	(10,948.69)	111,355.70	37,855.36	55,161.55	(6,425.05)	86,591.86
SEGMENT RESULT- Profit before Prior Period	5,923.58	(2,764.01)		3,159.57	3,290.81	5,497.36		8,788.17
Prior Period item (Refer note (xi)(b) on Schedule 19)	–	–		–	58.71	(239.91)		(181.20)
SEGMENT RESULT- Profit after prior period	5,923.58	(2,764.01)	–	3,159.57	3,349.52	5,257.45	–	8,606.97
Unallocated corporate expenditure (net)				878.82				328.96
Operating Profit				2,280.75				8,278.01
Interest Expenses (net)				1,755.21				1,250.76
Other Income				186.32				359.52
Profit Before Tax				711.86				7,386.77
Income Tax				532.65				2,661.38
MAT set off available for future years				(42.94)				–
Deferred Tax				33.13				(151.47)
Net Profit				189.02				4,876.86
OTHER INFORMATION	PRODUCTS & SERVICES	PROJECTS & SERVICES	UNALLOCATED	TOTAL	PRODUCTS & SERVICES	PROJECTS & SERVICES	UNALLOCATED	TOTAL
SEGMENTAL POSITION								
Segment Assets	43,651.99	52,004.06		95,656.05	34,312.29	47,175.53		81,487.82
Unallocated Corporate Assets			14,432.84	14,432.84			7,684.39	7,684.39
Total Assets	43,651.99	52,004.06	14,432.84	110,088.89	34,312.29	47,175.53	7,684.39	89,172.21
Segment Liabilities	18,685.52	34,425.73		53,111.25	16,457.04	26,954.98		43,412.02
Unallocated Corporate Liabilities			42,497.15	42,497.15			31,044.07	31,044.07
Total Liabilities	18,685.52	34,425.73	42,497.15	95,608.40	16,457.04	26,954.98	31,044.07	74,456.09
Capital Expenditure	2,507.96	418.76	11.70	2,938.42	1,911.31	260.32	18.50	2,190.13
Depreciation	708.30	129.88	10.99	849.17	435.78	83.15	92.67	611.60
Non-cash expenses other than depreciation (ESS amortised)				–				9.93

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19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
SECONDARY SEGMENTS : GEOGRAPHICAL		
Revenue by Geographical Market		
India	97,267.06	67,812.30
Outside India	14,088.64	18,779.56
	111,355.70	86,591.86
Addition to Fixed Assets and Intangible Assets		
India	2,627.59	1,075.51
Outside India	310.83	1,114.62
	2,938.42	2,190.13
Carrying Amount of Segment Assets		
India	82,518.47	56,504.98
Outside India	13,137.58	24,982.84
	95,656.05	81,487.82

Notes:

1. Pursuant to the 'Accounting Standard on Segment Reporting' (AS-17) notified by the Companies (Accounting Standard) Rules 2006, the Company has considered 'business segment' as primary segment for disclosure. The Company has identified business segments mentioned below as primary segments :
 - (i) Products & Services
 - (ii) Projects & Services
2. Unallocated corporate expenditure includes common service expenses. Unallocable income includes primarily dividend income from investments.
3. Unallocated assets includes investments.
4. Inter-segment revenue are at market driven agreed price.

(xv) RELATED PARTY DISCLOSURES :

Information relating to Related Party Transactions as per Accounting Standard 18 notified by the Companies (Accounting Standards) Rules, 2006.

A) List of related Parties and Relationship

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

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B) Related Party Transaction

Rupees in lakhs
(Previous year's figures in italics)

	Subsidiary	Associate	Management Personnel
A) Transactions during the year ended March 31, 2011.			
(i) Sales and Services (net of discounts)			
Tata Steel Ltd		8,708.59	
		<i>2,144.11</i>	
(ii) Purchase of raw materials			
Tata Steel Ltd		3,855.28	
		<i>2,734.16</i>	
(iii) Payment towards various services obtained			
Tata Steel Ltd		204.48	
		<i>190.42</i>	
(iv) Leasehold Rent			
Tata Steel Ltd.		31.73	
		<i>10.87</i>	
(v) Dividend Paid			
Tata Steel Ltd		268.90	
		<i>229.60</i>	
(vi) Remuneration Paid			
Mr. Sudhir Deoras			87.33
			<i>116.62</i>
Mr. Ramesh Chander Nandrajog			—
			<i>49.07</i>
(vii) Bad Debts Written Off			
Tata Steel Ltd		—	
		<i>32.28</i>	
(viii) Provisions for Claims			
Tata steel Ltd		100.00	
		—	
B) Balance as on March 31, 2011.			
(i) Receivables			
Tata Steel Ltd.		4,200.41	
		<i>1,017.45</i>	
Claims against the Company not acknowledged as debt		461.00	
		<i>561.00</i>	
Provisions for claims			
Tata Steel Ltd.		100.00	
		—	
(ii) Payables			
Tata Steel Ltd		533.18	
		<i>333.01</i>	

March 31, 2011
Rupees in lakhs

March 31, 2010
Rupees in lakhs

(xvi) EARNINGS PER SHARE

(a) Profit after tax and Minority Interest	26.93	4,672.06
(b) Weighted average number of equity shares of Rs.10/- each outstanding during the period	11,004,412	11,004,412
(c) Earning per share	0.24	42.46

TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(xvii) DEFERRED TAX (arising out of timing differences)		
(a) Deferred Tax Assets		
Provision for doubtful debts & advances	271.39	229.10
Provision for contingencies	9.97	66.44
Depreciation	59.39	27.62
Expenditure under 43B	–	3.46
Others, including employee leave encashment	154.75	131.43
Provision for warranty	49.31	32.89
	<u>544.81</u>	<u>490.94</u>
(b) Deferred Tax Liabilities		
Depreciation	370.53	218.56
	<u>370.53</u>	<u>218.56</u>
Net Deferred Tax (Liability) / Asset	174.28	272.38
	March 31, 2011 Rupees in lakhs	March 31, 2010 Rupees in lakhs
(xviii) Managerial Remuneration		
(a) Managing Director and Wholetime Director		
Salaries (including Company's Contribution to Provident fund and Superannuation Fund)	84.12	91.13
Perquisites	3.21	4.81
Sitting Fees	16.80	19.80
Commission to whole time directors	–	46.00
Commission to non whole time directors	–	50.00
	<u>104.13</u>	<u>211.73</u>

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(xix) (a) Jointly Controlled Entity by the Company

Name of the Entity	Country of Incorporation	Ownership	Voting Power
Tata International DLT Private Limited*	India	26%	50%

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

(b) Group share in the Assets, Liabilities, Income and Expenses with respect to Joint venture.

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs
A. Assets		
Fixed Assets	807.63	598.91
Current Assets		
Inventories and contracts in progress	777.75	735.01
Debtors	983.28	298.21
Cash and bank balances	7.71	56.37
Loans and advances	137.15	256.75
B. Deferred Tax Assets	12.50	50.15
C. Liabilities		
Loan Funds		
Secured Loan	613.96	504.44
Unsecured Loan	—	200.00
CURRENT LIABILITIES AND PROVISIONS		
Current liabilities	1,089.07	774.77
Provisions	26.71	57.77
D. Income		
Net Sales and Services	6,932.72	1,590.07
Other income	6.90	26.59
E. EXPENDITURE		
Operating & Other expense	6,678.69	1,495.77
Depreciation	27.84	7.00
Interest	20.52	19.21
Provision for Taxation	73.48	86.49
F. Miscellaneous Expenditure (To the extent not written off)	—	6.17
G. Other Matters		
Capital Commitment	632.67	8.88
Contingent Liabilities	Nil	Nil

TRF LIMITED AND ITS SUBSIDIARIES
Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(xix) (c) Summary of Financial Information Subsidiary Company														Rs. in lakh
Sl. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Included in	Turnover	Profit/(Loss) before	Provision for	Profit After taxation	Proposed	Country
1	TRF Singapore Pte Ltd.	SGD	35.77	324.49	(25.61)	373.35	74.46	370.71	-	(12.59)	-	(12.59)	-	Singapore
2	York Transport Equipment (Asia) Pte Ltd	USD	45.07	113.94	55.90	295.44	125.39	6.86	368.65	(2.29)	(0.06)	(2.23)	-	Singapore
3	York Transport Equipment (India) Pvt Ltd	INR	1	330.14	338.67	5,230.84	4,385.54	-	8,774.30	539.34	175.22	364.12	-	India
4	York Transport Equipment Pty Ltd	AUD	46.62	61.00	88.64	65.21	92.85	-	93.33	(5.34)	-	(5.34)	-	Australia
5	York Sales (Thailand) Company Limited	Bhat	1.49	0.25	429.38	499.80	18.12	-	85,666.13	181.28	53.88	127.40	-	Thailand
6	York Transport Equipment (SA) (Pty) Limited	RAND	6.62	1.00	25.95	53.60	78.55	-	257.56	(1.28)	-	(1.28)	-	South Africa
7	YTE Transport Equipment (Malaysia) Sdn Bhd	RM	14.91	0.00	0.39	0.01	0.39	-	-	(0.17)	-	(0.17)	-	Malaysia
8	Rednet Pte Ltd.	USD	45.11	0.00	8.71	0.44	9.15	-	-	(0.17)	-	(0.17)	-	Singapore
9	PT York Engineering	Rupiah	0.00516	9,198.41	38,656.91	1,650.10	31,108.60	-	-	(1,766.93)	-	(1,766.93)	-	Singapore
10	Edda Pte Ltd	SGD	35.77	0.00	-	0.00	-	-	-	0.13	-	0.13	-	Singapore
11	YTE Special Products Pte Ltd	USD	45.07	0.00	2.75	24.26	21.52	2.60	104.04	10.54	-	10.54	-	Singapore
12	Qingdao YTE Special Products Co. Limited	RMB	6.87	16.72	57.97	282.27	323.52	-	602.74	(13.01)	-	(13.01)	-	China
13	YORK Transport Equipment (Shanghai) Co. Ltd.	RMB	6.87	13.45	3.21	167.68	151.02	-	201.36	3.48	0.27	3.21	-	China
13	Aditya Automotive Applications Private Limited	INR	1	700.00	215.03	3,003.52	2,518.55	-	2,929.31	(187.05)	(27.98)	(215.03)	-	India
14	Dutch Lanka Trailer Manufacturers Limited	SLR	0.41	1,523.06	3,566.35	13,423.89	8,334.47	2,537.76	12,173.61	(346.42)	(35.79)	(310.64)	-	Srilanka
15	Dutch Lanka Engineering (Private) Limited	SLR	0.41	115.00	504.21	1,996.23	1,377.02	-	3,557.24	166.29	76.59	89.70	-	Srilanka
16	Tata International DLT Pvt Limited	INR	1	1,708.00	284.58	5,452.05	3,459.47	-	13,865.44	425.14	146.96	278.18	-	India
17	Dutch Lanka Trailers LLC	Rial Oman	116.834	1,500.00	324.54	3,717.17	1,892.63	-	2.34	0.03	-	0.03	-	Oman
18	Hewitt Robins International Ltd #	GBP	72.5	-	-	-	-	-	-	-	-	-	-	United Kingdom
19	Hewitt Robins International Holding Ltd #	GBP	72.5	2.00	14.18	21.90	7.72	-	21.52	0.23	0.66	(0.43)	-	United Kingdom

w.e.f April 15, 2010

TRF LIMITED

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TRF LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Accounts

19. NOTES TO THE CONSOLIDATED ACCOUNTS OF THE COMPANY AND ITS SUBSIDIARIES FOR YEAR ENDED MARCH 31, 2011 (Contd...)

(xx) The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements for the year ended March 31, 2011 are given below :

	March 31, 2011 Hewitt Robins Holding Ltd. Rupees in lakhs
FUNDS EMPLOYED	
Share capital	1,028.50
Reserves & Surplus	—
Minority Interest	—
Secured Loan	—
Unsecured Loan	—
Deferred Tax Liability	—
Current Liabilities	435.75
Provisions	123.98
APPLICATION OF FUNDS	
Fixed Assets (Net)	16.45
Goodwill	845.20
Investment	—
Deferred Tax Assets	9.05
Current Assets	717.13
INCOME	April 15, 2010 to March 31, 2011
Sale of Products & services	1,516.62
Other Income	20.48
EXPENSES	
Raw Materials & Components	657.90
Payment to Subcontractors	—
Employee Cost	197.99
Operation, Administration & Selling Expenses	418.37
(Increase)/Decrease in Inventories	—
Depreciation	15.84
Interest	0.20
PROFIT/(LOSS) BEFORE TAX FOR THE YEAR	246.79

(xxi) Figures for the previous year does not include the figures of Hewitt Robins International Ltd, United Kingdom and therefore are not comparable to that extent.

(xxii) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's financial statements.

(xxiii) Figures for the previous year have been regrouped and restated wherever necessary.

Signature to Schedules 1 to 19
For and on behalf of the Board

DR.JAMSHED J.IRANI
Chairman

PRASHANT KUMAR
Company Secretary

SUDHIR DEORAS
Managing Director

Kolkata, 12th May, 2011



TRF Limited
A **TATA** Enterprise



Feeders Washery Screens Ja
Feeders Belt Feeders
Plough Feeders Roll Crushers
Dry Equipment Apron Feeders Bivitec
Material Handling Solutions
Feeders Washery Screens Ja
Feeders Belt Fe
Feeders Roll
Apron Feed
Dry Equipment
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BoP Shuttle Conve
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Mechanism Idlers Jaw
e Crusher Travelling Trip
uttle Conveyors Screen
a Rotary Breakers Coal Ha
a Loaders Ham

Stacker Re
anced Motor Cone Crushe
oppler with Side Ar
ators Shuttle Conveyors Load Haul
x Mechanism Ring Gran

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