



Ref :SEC:152

Date :11.03.2019

General Manager – Corporate Services
BSE Ltd.
Floor 25, P J Towers
Dalal Street
MUMBAI - 400 001

Scrip Code: 505854

Manager Listing
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
MUMBAI – 400 051

Scrip Symbol : TRF

General Manager
The Calcutta Stock Exchange Ltd.
7, Lyons Range
KOLKATA - 700 001

Scrip Code: 10030045

Dear Madam, Sir,

Subject: Update on Investors' Conference Call of TRF Limited (“Company”) to be held on March 11, 2019

This has reference to our letter dated March 6, 2019.

Please find attached herewith an update on Investors' Conference Call of TRF Limited to be held on March 11, 2019 at 4.00 p.m.

This intimation has been provided in compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

This is for your information and records.

Thanking you,

Yours faithfully,
For TRF LIMITED

A handwritten signature in blue ink, appearing to read 'Subhashish Datta'.

(Subhashish Datta)
Company Secretary

A handwritten signature in blue ink, appearing to read 'Subhashish Datta'.

Encl: As above

TRF Limited

The Board of Directors of TRF Limited (“TRF”) at their meeting held on February 20, 2019 had approved the Notice for Extraordinary General Meeting of the Shareholders of the Company to be held on March 18, 2019 for increase in Authorized Share Capital and consequential amendment in Memorandum & Articles of Association, issuance of Non-Convertible Redeemable Preference shares (NCRPS) to Tata Steel Limited and Related Party Transactions (RPT) with Tata Steel Limited.

TRF Performance:

- On a standalone basis, Company achieved Turnover of Rs. 164.11 crore and incurred loss after tax of Rs. 56.95 crore during the nine months ended December 31, 2018. On a Consolidated basis, Company achieved Turnover of Rs. 256.37 crore and incurred loss after tax of Rs. 61.94 crore during the nine months ended December 31, 2018.
- TRF sold York Transport Equipment (Asia) Pte Limited, a step down subsidiary along with its subsidiaries, at total gross consideration of USD 43.56 Mi (Rs. 309 crore) and net consideration of USD 22.23 MI (Rs. 157.8 crore) to SAF-Holland GMBH on April 30, 2018. Consequent to such sale, TRF Singapore Pte Limited exercised a scheme of capital reduction to the tune of Rs. 121.85 crore in September 2018 helping improve cash flows for TRF.
- On the projects front, Company has successfully completed the Performance Guarantee (PG) test at NTPC Barh Project, obtained operational acceptance and partial COF (Completion of Facilities) Certificate. The Company has achieved contract closure of NTPC Mouda. The Company has also completed Load trial runs for Wagon Tippler at NPGC Nabinagar to operationalize Coal feeding.
- Through concerted and vigorous efforts, the Company has been able to collect nearly Rs. 30 crore in retention money against existing major projects this year. The Company has also been able to substantially reduce its overall Bank Guarantee exposure to Rs. 350 crore as of December 31, 2018 from Rs. 534 crore as of March 31, 2018.
- The Company has reduced the short term bank borrowing from Rs. 269 crore as on April 1, 2018 to Rs. 165 crore as on December 31, 2018. The long-term bank borrowing was reduced from 102 crore as on April 1, 2018 to Rs. 48 crore as on December 31, 2018.
- The Company has been able to reduce outstanding creditors from Rs. 299 crore as on April 1, 2018 to Rs. 263 crore as on December 31, 2018.

1. Non-Convertible Redeemable Preference shares (NCRPS):

In order to balance the debt-equity structure, Company is looking to issue Rs. 250 crore worth Preference Shares on private placement basis to Tata Steel Limited at a nominal value of Rs. 10 per share issued at par. NCRPS will be non-cumulative, non-convertible and non-participating. NCRPS will be issued and redeemed at par value. The Company has the option to redeem the said NCRPS either in full or in part, at 3 monthly intervals from date of issuance. Dividend on NCRPS will be payable at 12.5% p.a.

The Preference shares are expected to improve TRF's Balance sheet as it will help the Company to meet its requirements for cash deficit. The Company will utilize the fund for expeditious completion of the existing projects. A significant portion of the proceeds would

be utilized towards prepayment / repayment of the whole or a part of the existing indebtedness of the Company and / or for general corporate purpose.

2. Related Party Transactions (RPT):

The Company is looking to enter into related party transaction(s) with Tata Steel Limited towards Sales, Services and Purchases for an amount up to Rs.540 crore during the Financial Year 2019-20.

While stringent financial qualification criteria has been impediment for the Company to secure external orders, related party transaction is expected to help the Company to secure sufficient orders from Tata Steel.

In addition to Electro-mechanical jobs, it would provide the Company an opportunity to expand its scope into other areas such as Industrial Fabrication; Supply of equipment; and Life Cycle Services thereby improving the utilization of its existing facilities/resources.

The Company will be able to avail better working capital cycle with Tata Steel and enhance its liquidity position.

Historically the Company has been dependent on Power Industry for orders, however increased focus on renewable energy is expected to adversely impact demand for thermal power equipment industry. RPT will provide the Company an opportunity for growth in the Steel sector.

RPT will help the Company improve utilization of its Jamshedpur facility and optimize its resource utilization more specifically the Design & Engineering team and Project Construction team.

Key resources from Tata Steel will help the Company to integrate itself more closely with the parent and capitalize on their capabilities. Procurement of raw materials from Tata Steel would help maintain a favourable working capital cycle and improve company's liquidity position.

Way forward

Going forward the focus will be to close projects which are in an advanced stage to mitigate risk of cost increase in future, improve order book and share of revenue from Projects and Products, spares and services from Tata Steel, reduce cost, collect retention amount, build people capability and strengthen TRF group.

Disclaimer

Statements in this note describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company/subsidiaries operate, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.