



SEC:152

04.11.2016

Dept. of Corporate Services  
BSE Ltd.,  
P.J. Towers, Dalal Street,  
**MUMBAI – 400 001**

Manager (Listing)  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex  
**MUMBAI – 400 051**

General Manager  
The Calcutta Stock Exchange Ltd.  
**KOLKATA – 700 001**

**Scrip Code: 505854(BSE) / TRF (NSE) / 10030045(CSE)**

Dear Sir/Madam,

**Sub: Financial results for the quarter/half-year ended September 30, 2016**

Please find enclosed herewith:

- a) Audited standalone and unaudited consolidated financial results for the quarter/ half year ended September 30, 2016 duly signed by our Managing Director, which have been considered and taken on record by our Board of Directors at their meeting held on November 4, 2016.
- b) Audit Report issued by the Auditors for the Standalone Financial Results for the quarter/ half year ended September 30, 2016.
- c) Review Report issued by the Auditors for the Consolidated Financial Results for the quarter/ half year ended September 30, 2016.

This is in compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please acknowledge receipt.

Thanking you,  
Yours faithfully,  
For TRF LIMITED

(Tarun Kumar Srivastava)  
Company Secretary

Encl: As above.

**CIN:L74210JH1962PLC000700**

**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmahmines, Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016**

Rs. In lakhs

| Sl No. | Particulars  | Standalone       |                  |                  |                  |                  | Year ended<br>31.03.2016 |
|--------|--|------------------|------------------|------------------|------------------|------------------|--------------------------|
|        |  | Quarter ended    |                  |                  | Six months ended |                  |                          |
|        |  | 30.09.2016       | 30.06.2016       | 30.09.2015       | 30.09.2016       | 30.09.2015       |                          |
|        |  | Refer Note 10    | Unaudited        | Audited          | Audited          | Audited          |                          |
| 1.     | <b>Income from operations</b>  |                  |                  |                  |                  |                  |                          |
|        | (a). Revenue from operations   | 10,580.90        | 12,235.75        | 12,459.64        | 22,816.65        | 20,206.94        | 55,324.78                |
|        | (b). Other operating income  | -                | -                | -                | -                | -                | -                        |
|        | <b>Total income from operations</b>  | <b>10,580.90</b> | <b>12,235.75</b> | <b>12,459.64</b> | <b>22,816.65</b> | <b>20,206.94</b> | <b>55,324.78</b>         |
| 2.     | <b>Expenses</b>  |                  |                  |                  |                  |                  |                          |
|        | (a). Cost of raw material and components consumed  | 5,747.67         | 6,598.37         | 7,823.76         | 12,346.04        | 12,285.96        | 29,497.15                |
|        | (b). Payment to sub contractors  | 1,292.28         | 2,178.70         | 3,608.29         | 3,470.98         | 5,559.41         | 10,696.43                |
|        | (c). Purchase of stock in trade  | -                | -                | -                | -                | -                | -                        |
|        | (d). Changes in contracts in progress and inventories of finished goods and work in progress | 412.77           | (359.63)         | (3,172.05)       | 53.14            | (5,117.28)       | (401.26)                 |
|        | (e). Excise Duty   | 264.06           | 257.47           | 232.39           | 521.53           | 469.34           | 1,279.80                 |
|        | (f). Employee benefits expense (Refer Note 7)  | 767.99           | 1,333.53         | 1,248.82         | 2,101.52         | 2,607.48         | 5,538.93                 |
|        | (g). Depreciation and amortization expense   | 102.86           | 101.67           | 124.45           | 204.53           | 248.12           | 474.29                   |
|        | (h). Other expenses  | 2,212.82         | 1,652.84         | 1,066.28         | 3,865.66         | 3,769.92         | 7,536.69                 |
|        | <b>Total expenses</b>  | <b>10,800.45</b> | <b>11,762.95</b> | <b>10,931.94</b> | <b>22,563.40</b> | <b>19,822.95</b> | <b>54,622.03</b>         |
| 3.     | Profit / (loss) from operations before other income, finance costs (1-2)                     | (219.55)         | 472.80           | 1,527.70         | 253.25           | 383.99           | 702.75                   |
| 4.     | Other income (Refer Note 8)  | 131.94           | 113.37           | 114.00           | 245.31           | 230.65           | 2,679.28                 |
| 5.     | Profit/ (loss) from ordinary activities before finance costs (3+4)                           | (87.61)          | 586.17           | 1,641.70         | 498.56           | 614.64           | 3,382.03                 |
| 6.     | Finance costs  | 1,173.69         | 1,115.89         | 1,105.22         | 2,289.58         | 2,140.23         | 4,375.61                 |
| 7.     | Profit / (loss) from ordinary activities before tax (5-6)                                    | (1,261.30)       | (529.72)         | 536.48           | (1,791.02)       | (1,525.59)       | (993.58)                 |
| 8.     | Tax expense / (benefit)  | -                | (1,092.48)       | 19.04            | (1,092.48)       | 19.04            | -                        |
| 9.     | Net profit/ (loss) for the period (7-8)  | (1,261.30)       | 562.76           | 517.44           | (698.54)         | (1,544.63)       | (993.58)                 |
| 10.    | Other Comprehensive Income (Net of tax)  | (108.11)         | (58.69)          | (48.04)          | (166.80)         | (108.20)         | (244.02)                 |
| 11.    | Total Comprehensive Income (9 +10)   | (1,369.41)       | 504.07           | 469.40           | (865.34)         | (1,652.83)       | (1,237.60)               |
| 12.    | Paid-up equity share capital ( Face value Rs. 10 per Share )                                 | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44                 |
| 13.    | Reserves excluding revaluation reserves (as per Balance sheet of previous accounting year)   |                  |                  |                  |                  |                  | (2,834.43)               |
| 14.    | Earning/(loss) per share (not annualised)  |                  |                  |                  |                  |                  |                          |
|        | Basic and diluted EPS before and after extraordinary items (Rs)                              | (11.46)          | 5.11             | 4.70             | (6.35)           | (14.04)          | (9.03)                   |

**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmamines. Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

| SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016 |   |                   |                  |                  |                   |                   |                          |
|--|---|-------------------|------------------|------------------|-------------------|-------------------|--------------------------|
| Rs. lakhs  |   |                   |                  |                  |                   |                   |                          |
| SI No.   | Particulars   | Standalone        |                  |                  |                   |                   | Year ended<br>31.03.2016 |
|  |   | Quarter ended     |                  |                  | Six months ended  |                   |                          |
|  |   | 30.09.2016        | 30.06.2016       | 30.09.2015       | 30.09.2016        | 30.09.2015        |                          |
|  |   | Refer Note 10     | Unaudited        | Audited          | Audited           | Audited           |                          |
| <b>1</b>   | <b>Segment revenue</b>                                    |                   |                  |                  |                   |                   |                          |
|  | (a). Projects & Services                                  | 7,693.26          | 10,488.29        | 10,085.20        | 18,181.55         | 15,599.91         | 43,118.35                |
|  | (b). Products & Services                                  | 6,144.14          | 5,070.45         | 5,456.91         | 11,214.59         | 9,655.96          | 26,708.68                |
|  | <b>Total</b>  | <b>13,837.40</b>  | <b>15,558.74</b> | <b>15,542.11</b> | <b>29,396.14</b>  | <b>25,255.87</b>  | <b>69,827.03</b>         |
|  | Less : Inter segment revenue                              | 3,256.50          | 3,322.99         | 3,082.47         | 6,579.49          | 5,048.93          | 14,502.25                |
|  | <b>Net sales from operations</b>                          | <b>10,580.90</b>  | <b>12,235.75</b> | <b>12,459.64</b> | <b>22,816.65</b>  | <b>20,206.94</b>  | <b>55,324.78</b>         |
| <b>2</b>   | <b>Segment results</b>                                    |                   |                  |                  |                   |                   |                          |
|  | (a). Projects & Services                                  | (1,434.75)        | 273.53           | 633.55           | (1,161.22)        | (127.71)          | (2,163.18)               |
|  | (b). Products & Services                                  | 1,280.97          | 404.27           | 1,001.07         | 1,685.24          | 618.70            | 3,588.31                 |
|  | <b>Total</b>  | <b>(153.78)</b>   | <b>677.80</b>    | <b>1,634.62</b>  | <b>524.02</b>     | <b>490.99</b>     | <b>1,425.13</b>          |
|  | Interest  | 1,091.31          | 1,043.16         | 982.56           | 2,134.47          | 2,005.17          | 4,073.62                 |
|  | Other unallocable expenditure (net of unallocable income) | 16.21             | 164.36           | 115.58           | 180.57            | 11.41             | (1,654.91)               |
|  | <b>Profit/(Loss) before tax</b>                           | <b>(1,261.30)</b> | <b>(529.72)</b>  | <b>536.48</b>    | <b>(1,791.02)</b> | <b>(1,525.59)</b> | <b>(993.58)</b>          |
| <b>3</b>   | <b>Capital employed</b>                                   |                   |                  |                  |                   |                   |                          |
|  | (a). Segment Assets                                       |                   |                  |                  |                   |                   |                          |
|  | Projects & Services                                       | 46,326.89         | 49,401.27        | 55,336.74        | 46,326.89         | 55,336.74         | 52,089.64                |
|  | Products & Services                                       | 24,173.42         | 24,629.32        | 21,755.85        | 24,173.42         | 21,755.85         | 27,801.13                |
|  | Unallocable   | 22,908.75         | 22,993.20        | 23,671.61        | 22,908.75         | 23,671.61         | 23,674.31                |
|  | (b). Segment Liabilities                                  |                   |                  |                  |                   |                   |                          |
|  | Projects & Services                                       | 39,134.16         | 39,008.23        | 44,829.40        | 39,134.16         | 44,829.40         | 43,739.78                |
|  | Products & Services                                       | 11,961.03         | 12,939.52        | 10,120.22        | 11,961.03         | 10,120.22         | 13,186.06                |
|  | Unallocable   | 44,797.97         | 46,279.57        | 48,084.21        | 44,797.97         | 48,084.21         | 48,373.23                |

**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmamines. Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

| STANDALONE STATEMENT OF ASSETS AND LIABILITIES |   |  |                   |                   |
|--|---|--|-------------------|-------------------|
|  |   |  | Rs. In lakhs      |                   |
| Particulars                                    |   |  | As at             | As at             |
|  |   |  | 30.09.2016        | 31.03.2016        |
|  |   |  | Audited           | Audited           |
| <b>A</b>                                       | <b>ASSETS</b>                             |  |                   |                   |
| 1.   | <b>Non-current assets</b>                 |  |                   |                   |
|  | (a) Property, plant and equipment         |  | 3,224.35          | 3,384.19          |
|  | (b) Intangible assets                     |  | 59.61             | 48.21             |
|  |   |  | <b>3,283.96</b>   | <b>3,432.40</b>   |
|  | (c) Financial assets                      |  |                   |                   |
|  | (i) Investments                           |  |                   |                   |
|  | a) Investments in joint ventures          |  | 357.00            | 357.00            |
|  | b) Investment in subsidiaries             |  | 18,126.82         | 18,126.82         |
|  | c) Other investments                      |  | 31.78             | 26.78             |
|  | (ii) Other financial assets               |  | 21.36             | 24.62             |
|  | (b) Other non-current assets              |  | 1,161.72          | 1,200.84          |
|  | (c) Advance Income tax assets (Net)       |  | 1,535.79          | 1,694.15          |
|  | <b>Sub total non-current Assets</b>       |  | <b>24,518.43</b>  | <b>24,862.61</b>  |
| 2.   | <b>Current assets</b>                     |  |                   |                   |
|  | (a) Inventories and contracts in progress |  | 13,752.06         | 13,599.34         |
|  | (b) Financial assets                      |  |                   |                   |
|  | (i) Trade receivables                     |  | 45,581.95         | 54,193.24         |
|  | (ii) Cash and cash equivalent             |  | 454.81            | 1,387.81          |
|  | (iii) Other balances with Bank            |  | 18.23             | 24.39             |
|  | (iv) Other financial assets               |  | 1,043.82          | 1,047.69          |
|  | (v) Derivative assets                     |  | 333.44            | 399.13            |
|  | (c) Other current assets                  |  | 7,706.32          | 8,050.87          |
|  | <b>Sub total current Assets</b>           |  | <b>68,890.63</b>  | <b>78,702.47</b>  |
|  | <b>TOTAL ASSETS</b>                       |  | <b>93,409.06</b>  | <b>103,565.08</b> |
| <b>B</b>                                       | <b>EQUITY AND LIABILITIES</b>             |  |                   |                   |
| 1.   | <b>Equity</b>                             |  |                   |                   |
|  | (a) Equity share capital                  |  | 1,100.44          | 1,100.44          |
|  | (b) Other equity                          |  | (3,584.54)        | (2,834.43)        |
|  | <b>Total equity</b>                       |  | <b>(2,484.10)</b> | <b>(1,733.99)</b> |
| 2.   | <b>Non-current liabilities</b>            |  |                   |                   |
|  | (a) Financial liabilities                 |  |                   |                   |
|  | (i) Borrowings                            |  | 8,461.54          | 11,453.66         |
|  | (ii) Derivative liabilities               |  | -                 | -                 |
|  | (iii) Other financial liabilities         |  | -                 | -                 |
|  | (b) Provisions                            |  | 1,623.81          | 1,911.55          |
|  | (c) Other non current liabilities         |  | 11.83             | 15.70             |
|  | (d) Deferred tax liabilities (Net)        |  | 3,108.27          | 4,309.33          |
|  | <b>Total non-current liabilities</b>      |  | <b>13,205.45</b>  | <b>17,690.24</b>  |
| 3.   | <b>Current liabilities</b>                |  |                   |                   |
|  | (a) Financial liabilities                 |  |                   |                   |
|  | (i) Borrowings                            |  | 25,896.23         | 25,952.56         |
|  | (ii) Derivative liabilities               |  | 20.86             | 15.21             |
|  | (iii) Trade payables                      |  | 26,236.87         | 31,606.15         |
|  | (iv) Other financial liabilities          |  | 5,243.62          | 4,499.61          |
|  | (b) Provisions                            |  | 1,909.09          | 2,047.89          |
|  | (c) Other current liabilities             |  | 21,005.85         | 21,220.80         |
|  | (d) Current Income tax liabilities (Net)  |  | 2,375.19          | 2,266.61          |
|  | <b>Sub total current liabilities</b>      |  | <b>82,687.71</b>  | <b>87,608.83</b>  |
|  | <b>TOTAL LIABILITIES</b>                  |  | <b>93,409.06</b>  | <b>103,565.08</b> |

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Notes :

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 3, 2016 and November 4, 2016 respectively.
- The company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- A. Reconciliation of the standalone financial results to those reported under previous Generally Accepted Accounting Principles ("IGAAP") are summarised as under:

| Particulars  | Rs. lakhs                                |  |                                   |
|--|--|--|-----------------------------------|
|  | For the Quarter ended September 30, 2015 | For the Half year ended September 30, 2015 | For the year ended March 31, 2016 |
| <b>Profit / (Loss) after tax as reported under IGAAP</b>   | <b>471.04</b>                            | <b>(926.48)</b>                            | <b>(467.36)</b>                   |
| Impact on account of measuring investments at fair value through OCI on transition date (April 1, 2015).   | -  | (792.88)                                   | (792.88)                          |
| Impact of measurement of borrowings at amortized cost using effective interest rate  | (2.57)                                   | (5.35)                                     | (11.65)                           |
| Impact of measurement of derivative instruments at fair value  | 0.93                                     | 70.73                                      | 33.08                             |
| Reclassification of actuarial gains / losses, arising in respect of employees post employment benefit schemes, to Other Comprehensive Income (OCI) | 48.04                                    | 109.35                                     | 245.23                            |
| Tax adjustments  | -  | -  | -                                 |
| <b>Loss after tax as reported under IND AS</b>   | <b>517.44</b>                            | <b>(1,544.63)</b>                          | <b>(993.58)</b>                   |
| <b>Other Comprehensive Income (net of tax)</b>   | <b>(48.04)</b>                           | <b>(108.20)</b>                            | <b>(244.02)</b>                   |
| <b>Total Comprehensive Income as reported under IND AS</b>   | <b>469.40</b>                            | <b>(1,652.83)</b>                          | <b>(1,237.60)</b>                 |

B. Reconciliation of Equity as reported under IGAAP is summarised as follows:

| Particulars   | Rs. lakhs            |
|---|----------------------|
|   | As at March 31, 2016 |
| <b>As reported under Previous GAAP</b>  | <b>(1,504.25)</b>    |
| Impact of measurement of derivative instruments at fair value                       | (288.00)             |
| Impact of measurement of borrowings at amortized cost using effective interest rate | (29.04)              |
| Impact on account of measuring investments at fair value through OCI                | 26.73                |
| Tax effect  | 60.57                |
| <b>Equity Under IND AS</b>  | <b>(1,733.99)</b>    |

(1)

**TRF LIMITED**

A TATA Enterprise

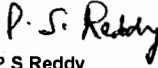
Regd. Office : 11, Station Road, Burmamines, Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

4. Revenue from contracts are recognised on percentage completion method specified under Ind AS 11 - Constructions Contracts. 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 overheads, contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, cement and other related items are considered at current market price which is based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.
5. Trade receivables include retention money which are receivable on the completion of the performance guarantee test aggregating to Rs 25,042.15 lakhs as at September 30, 2016 (Rs 25,519.10 lakhs as at March 31, 2016).
6. The Company has incurred loss after tax of Rs. 698.54 lakhs during the six months ended September 30, 2016 and the accumulated losses as on that date has eroded the net worth of the Company. The Company expects to generate cash flows from liquidating retention moneys relating to contracts that are in advanced stage of completion and expected dividend remittances from its subsidiaries, which will be sufficient to meet future obligations of the Company in the next twelve months from the balance sheet date. Accordingly, the financial statements have been prepared on a going concern basis. The company had filed a rehabilitation scheme with BIFR in the previous year.
7. Employee benefit expense for the six months ended September 30, 2016 is net off excess provision written back amounting to Rs 578 lakhs.
8. Other Income for the year ended March 31, 2016 includes dividend from subsidiaries amounting to Rs 2,092.87 lakhs.
9. Information on Revenue by geographical segment are not given for standalone results as the revenue from sales to customers outside India is less than 10% of the total revenue.
10. The figures for the quarter ended September 30, 2016 is the balancing figure between the audited figures in respect of six months ended September 30, 2016 and the published unaudited figures for the three months ended June 30, 2016.

Kolkata: November 4, 2016



  
P S Reddy  
Managing Director

**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmamines. Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016**

| Part I |  |                  |                  |                  |                  |                  | Rs. in Lakhs             |
|--------|--|------------------|------------------|------------------|------------------|------------------|--------------------------|
| Sl No  | Particulars  | Consolidated     |                  |                  |                  |                  | Year ended<br>31.03.2016 |
|        |  | Quarter ended    |                  |                  | Six months ended |                  |                          |
|        |  | 30.09.2016       | 30.06.2016       | 30.09.2015       | 30.09.2016       | 30.09.2015       |                          |
|        |  | Unaudited        | Unaudited        | Unaudited        | Unaudited        | Unaudited        |                          |
| 1.     | <b>Income from operations</b>  |                  |                  |                  |                  |                  |                          |
|        | (a). Revenue from operations   | 21,217.69        | 25,391.19        | 23,946.70        | 46,608.88        | 40,962.30        | 101,304.72               |
|        | (b). Other operating income  | -                | -                | -                | -                | -                | -                        |
|        | <b>Total income from operations</b>  | <b>21,217.69</b> | <b>25,391.19</b> | <b>23,946.70</b> | <b>46,608.88</b> | <b>40,962.30</b> | <b>101,304.72</b>        |
| 2.     | <b>Expenses</b>  |                  |                  |                  |                  |                  |                          |
|        | (a). Cost of raw material and components consumed  | 11,550.34        | 14,413.69        | 12,109.52        | 25,964.03        | 22,026.43        | 54,891.24                |
|        | (b). Payment to sub contractors  | 1,298.55         | 2,178.68         | 3,608.86         | 3,477.23         | 5,561.96         | 10,698.97                |
|        | (c). Purchase of stock in trade  | 855.75           | 910.68           | 666.07           | 1,766.43         | 1,460.99         | 2,986.66                 |
|        | (d). Changes in contracts in progress and inventories of finished goods and work in progress                 | 751.28           | (156.36)         | (520.50)         | 594.92           | (2,954.03)       | 1,855.07                 |
|        | (e). Excise Duty   | 884.10           | 1,131.43         | 971.34           | 2,015.53         | 1,719.98         | 4,380.42                 |
|        | (f). Employee benefits expense (Refer Note 8)  | 2,024.32         | 2,616.48         | 2,596.72         | 4,640.80         | 5,391.12         | 11,104.81                |
|        | (g). Depreciation and amortization expense   | 229.06           | 241.87           | 243.61           | 470.93           | 484.41           | 964.98                   |
|        | (h). Other expenses  | 3,790.86         | 3,173.46         | 2,446.07         | 6,964.32         | 6,673.14         | 13,823.86                |
|        | <b>Total expenses</b>  | <b>21,384.26</b> | <b>24,509.93</b> | <b>22,121.69</b> | <b>45,894.19</b> | <b>40,364.00</b> | <b>100,706.01</b>        |
| 3.     | Profit / (loss) from operations before other income, finance costs (1-2)                                     | (166.57)         | 881.26           | 1,825.01         | 714.69           | 598.30           | 598.71                   |
| 4.     | Other income   | 94.80            | 172.44           | 81.81            | 267.24           | 251.38           | 748.78                   |
| 5.     | Profit/(loss) from ordinary activities before finance costs (3+4)  | (71.77)          | 1,053.70         | 1,906.82         | 981.93           | 849.68           | 1,347.49                 |
| 6.     | Finance costs  | 1,547.27         | 1,436.38         | 1,423.59         | 2,983.65         | 2,790.03         | 5,651.13                 |
| 7.     | Profit / (loss) from ordinary activities before tax (5-6)  | (1,619.04)       | (382.68)         | 483.23           | (2,001.72)       | (1,940.35)       | (4,303.64)               |
| 8.     | Share of profit/(loss) from Joint Ventures   | 34.11            | 232.01           | 102.21           | 266.12           | 184.07           | 447.76                   |
| 9.     | Profit before exceptional items and tax (7 + 8)  | (1,584.93)       | (150.67)         | 585.44           | (1,735.60)       | (1,756.28)       | (3,855.88)               |
| 10.    | Exceptional Items  | -                | -                | -                | -                | -                | (34.05)                  |
| 11.    | Profit before tax (9+10)   | (1,584.93)       | (150.67)         | 585.44           | (1,735.60)       | (1,756.28)       | (3,889.93)               |
| 12.    | Tax expense  | 20.91            | (1,009.34)       | (5.60)           | (988.43)         | 40.82            | 202.82                   |
| 13.    | Net profit/(loss) for the period (11-12)   | (1,605.84)       | 858.67           | 591.04           | (747.17)         | (1,797.10)       | (4,092.75)               |
| 14.    | Net profit/(loss) for the period attributable to   |                  |                  |                  |                  |                  |                          |
|        | Owners of the Company  | (1,605.81)       | 858.74           | 591.15           | (747.07)         | (1,794.45)       | (4,085.94)               |
|        | Non Controlling Interest   | (0.03)           | (0.07)           | (0.11)           | (0.10)           | (2.65)           | (6.81)                   |
| 15.    | Other Comprehensive Income (Net of tax)  | (377.92)         | 22.83            | (661.39)         | (355.09)         | (93.21)          | 23.28                    |
| 16.    | Total Comprehensive Income (13 +15)  | (1,983.76)       | 881.50           | (70.35)          | (1,102.26)       | (1,890.31)       | (4,069.47)               |
| 17.    | Total Comprehensive Income attributable to   |                  |                  |                  |                  |                  |                          |
|        | Owners of the Company  | (1,983.73)       | 881.57           | (70.29)          | (1,102.16)       | (1,887.71)       | (4,062.66)               |
|        | Non Controlling Interest   | (0.03)           | (0.07)           | (0.06)           | (0.10)           | (2.60)           | (6.81)                   |
| 18.    | Paid-up equity share capital<br>(Face value Rs. 10 per Share )   | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44         | 1,100.44                 |
| 19.    | Reserves excluding revaluation reserves (as per Balance Sheet of previous accounting year)                   |                  |                  |                  |                  |                  | (5,967.24)               |
| 19.    | Earning/(loss) per share (not annualised)<br>Basic and diluted EPS before and after extraordinary items (Rs) | (14.59)          | 7.80             | 5.37             | (6.79)           | (16.31)          | (37.13)                  |

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**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmamines. Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

| CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016 |   |                   |                  |                  |                   |                   |                          |
|---|---|-------------------|------------------|------------------|-------------------|-------------------|--------------------------|
| Rs. in Lakhs  |   |                   |                  |                  |                   |                   |                          |
| Sl No   | Particulars   | Consolidated      |                  |                  |                   |                   | Year ended<br>31.03.2016 |
|   |   | Quarter ended     |                  |                  | Six months ended  |                   |                          |
|   |   | 30.09.2016        | 30.06.2016       | 30.09.2015       | 30.09.2016        | 30.09.2015        |                          |
|   |   | Unaudited         | Unaudited        | Unaudited        | Unaudited         | Unaudited         |                          |
| <b>1</b>  | <b>Segment revenue</b>                                    |                   |                  |                  |                   |                   |                          |
|   | (a). Projects & Services                                  | 7,693.26          | 10,488.29        | 10,085.20        | 18,181.55         | 15,599.91         | 43,118.35                |
|   | (b). Products & Services                                  | 16,780.93         | 18,225.89        | 16,943.97        | 35,006.82         | 30,411.32         | 72,688.62                |
|   | Total   | 24,474.19         | 28,714.18        | 27,029.17        | 53,188.37         | 46,011.23         | 115,806.97               |
|   | Less : Inter segment revenue                              | 3,256.50          | 3,322.99         | 3,082.47         | 6,579.49          | 5,048.93          | 14,502.25                |
|   | <b>Net sales from operations</b>                          | <b>21,217.69</b>  | <b>25,391.19</b> | <b>23,946.70</b> | <b>46,608.88</b>  | <b>40,962.30</b>  | <b>101,304.72</b>        |
| <b>2</b>  | <b>Segment results</b>                                    |                   |                  |                  |                   |                   |                          |
|   | (a). Projects & Services                                  | (1,434.75)        | 273.53           | 633.55           | (1,161.22)        | (127.71)          | (2,163.18)               |
|   | (b). Products & Services                                  | 1,306.25          | 1,128.87         | 1,410.59         | 2,435.12          | 997.41            | 3,936.19                 |
|   | Total   | (128.50)          | 1,402.40         | 2,044.14         | 1,273.90          | 869.70            | 1,773.01                 |
|   | Interest  | 1,380.03          | 1,324.48         | 1,313.89         | 2,704.51          | 2,564.41          | 5,183.54                 |
|   | Other unallocable expenditure (net of unallocable income) | 76.40             | 228.59           | 144.81           | 304.99            | 61.57             | 445.35                   |
|   | <b>Profit/(Loss) before Exceptional item and tax</b>      | <b>(1,584.93)</b> | <b>(150.67)</b>  | <b>585.44</b>    | <b>(1,735.60)</b> | <b>(1,756.28)</b> | <b>(3,855.88)</b>        |
|   | Exceptional Items   |                   |                  |                  |                   |                   | (34.05)                  |
|   | <b>Profit/(Loss) before tax</b>                           | <b>(1,584.93)</b> | <b>(150.67)</b>  | <b>585.44</b>    | <b>(1,735.60)</b> | <b>(1,756.28)</b> | <b>(3,889.93)</b>        |
| <b>3</b>  | <b>Capital employed</b>                                   |                   |                  |                  |                   |                   |                          |
|   | (a). Segment Assets                                       |                   |                  |                  |                   |                   |                          |
|   | Projects & Services                                       | 46,326.89         | 49,401.27        | 55,336.74        | 46,326.89         | 55,336.74         | 52,089.64                |
|   | Products & Services                                       | 54,394.38         | 55,652.70        | 52,592.79        | 54,394.38         | 52,592.79         | 55,982.27                |
|   | Unallocable   | 21,898.17         | 22,370.08        | 21,982.86        | 21,898.17         | 21,982.86         | 22,589.44                |
|   | (b). Segment Liabilities                                  |                   |                  |                  |                   |                   |                          |
|   | Projects & Services                                       | 39,134.16         | 39,008.23        | 44,829.40        | 39,134.16         | 44,829.40         | 43,739.78                |
|   | Products & Services                                       | 44,393.20         | 45,934.43        | 39,739.89        | 44,393.20         | 39,739.89         | 43,296.45                |
|   | Unallocable   | 44,899.65         | 46,392.87        | 48,111.87        | 44,899.65         | 48,111.87         | 48,445.36                |



**TRF LIMITED**

A TATA Enterprise

Regd. Office : 11, Station Road, Burmamines. Jamshedpur - 831 007

CIN : L74210JH1962PLC000700

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

|             |  | Rs. in Lakhs                     |                                |
|-------------|--|----------------------------------|--------------------------------|
| Particulars |  | As at<br>30.09.2016<br>Unaudited | As at<br>31.03.2016<br>Audited |
| <b>A</b>    | <b>ASSETS</b>                                    |                                  |                                |
| 1.          | <b>Non-current assets</b>                        |                                  |                                |
|             | (a) Property, plant and equipment                | 6,708.22                         | 6,975.65                       |
|             | (b) Capital work in progress                     | 15.39                            | 15.30                          |
|             | (c) Intangible assets                            | 159.57                           | 170.00                         |
|             | (d) Goodwill                                     | 15,329.21                        | 15,480.53                      |
|             |  | <b>22,212.39</b>                 | <b>22,641.48</b>               |
|             | (e) Financial assets                             |                                  |                                |
|             | (i) Investments                                  |                                  |                                |
|             | a) Investments in joint ventures                 | 1,847.42                         | 1,774.23                       |
|             | b) Other investments                             | 32.08                            | 27.07                          |
|             | (ii) Other financial assets                      | 341.39                           | 389.02                         |
|             | (f) Other non-current assets                     | 1,163.34                         | 1,204.39                       |
|             | (g) Advance Income tax assets (Net)              | 1,567.59                         | 1,725.16                       |
|             | (h) Deferred tax assets (Net)                    | 123.68                           | 125.90                         |
|             | <b>Sub total non-current Assets</b>              | <b>27,287.89</b>                 | <b>27,887.25</b>               |
| 2.          | <b>Current assets</b>                            |                                  |                                |
|             | (a) Inventories and contracts in progress        | 25,570.24                        | 24,140.20                      |
|             | (b) Financial assets                             |                                  |                                |
|             | (i) Trade receivables                            | 56,490.57                        | 64,110.56                      |
|             | (ii) Cash and cash equivalent                    | 3,351.34                         | 4,266.20                       |
|             | (iii) Other balances with Bank                   | 62.00                            | 31.65                          |
|             | (iv) Other financial assets                      | 195.62                           | 120.27                         |
|             | (v) Derivative assets                            | 333.44                           | 399.13                         |
|             | (c) Other current assets                         | 9,155.71                         | 9,688.09                       |
|             | (d) Advance income tax assets (Net)              | 172.63                           | 18.00                          |
|             | <b>Sub total current assets</b>                  | <b>95,331.55</b>                 | <b>102,774.10</b>              |
|             | <b>TOTAL ASSETS</b>                              | <b>122,619.44</b>                | <b>130,661.35</b>              |
| <b>B</b>    | <b>EQUITY AND LIABILITIES</b>                    |                                  |                                |
| 1.          | <b>Equity</b>                                    |                                  |                                |
|             | (a) Equity share capital                         | 1,100.44                         | 1,100.44                       |
|             | (b) Other equity                                 | (6,954.71)                       | (5,967.24)                     |
|             | Equity attributable to the owners of the Company | (5,854.27)                       | (4,866.80)                     |
|             | (c) Non Controlling Interest                     | 46.70                            | 46.56                          |
|             | <b>Sub total equity</b>                          | <b>(5,807.57)</b>                | <b>(4,820.24)</b>              |
| 2.          | <b>Non-current liabilities</b>                   |                                  |                                |
|             | (a) Financial liabilities                        |                                  |                                |
|             | (i) Borrowings                                   | 16,358.54                        | 17,536.22                      |
|             | (b) Provisions                                   | 1,813.10                         | 2,094.46                       |
|             | (c) Other non current liabilities                | 11.83                            | 15.70                          |
|             | (d) Deferred tax liabilities (Net)               | 3,123.20                         | 4,328.29                       |
|             | <b>Sub total non-current liabilities</b>         | <b>21,306.67</b>                 | <b>23,974.67</b>               |
| 3.          | <b>Current liabilities</b>                       |                                  |                                |
|             | (a) Financial liabilities                        |                                  |                                |
|             | (i) Borrowings                                   | 35,147.53                        | 37,043.91                      |
|             | (ii) Derivative liabilities                      | 20.86                            | 16.80                          |
|             | (iii) Trade payables                             | 37,303.23                        | 40,125.94                      |
|             | (iv) Other financial liabilities                 | 8,472.05                         | 7,707.73                       |
|             | (b) Provisions                                   | 2,400.26                         | 2,533.49                       |
|             | (c) Other current liabilities                    | 21,314.47                        | 21,759.27                      |
|             | (d) Current income tax liabilities (Net)         | 2,461.94                         | 2,319.78                       |
|             | <b>Sub total current liabilities</b>             | <b>107,120.34</b>                | <b>111,506.92</b>              |
|             | <b>TOTAL LIABILITIES</b>                         | <b>122,619.44</b>                | <b>130,661.35</b>              |

**TRF LIMITED**

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**Notes :**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 3, 2016 and November 4, 2016 respectively.
- The company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- A. Reconciliation of the consolidated financial results to those reported under previous Generally Accepted Accounting Principles ("IGAAP") are summarised as under:

Rs. in Lakhs

| Particulars   | For the Quarter ended September 30, 2015 | For the Half year ended September 30, 2015 | For the year ended March 31, 2016 |
|---|--|--|-----------------------------------|
| <b>Profit / (Loss) after tax as reported under IGAAP</b>  | <b>413.60</b>                            | <b>(1,286.07)</b>                          | <b>(3,634.49)</b>                 |
| Impact on account of measuring investments at fair value through OCI on transition date (April 1, 2015).  |  | (792.88)                                   | (792.88)                          |
| Impact of measurement of borrowings at amortized cost using effective interest rate   | (2.57)                                   | (5.35)                                     | (11.65)                           |
| Impact of measurement of derivative instruments at fair value   | 37.20                                    | 71.52                                      | 38.13                             |
| Impact of change in functional currency of a subsidiary   | 127.51                                   | 146.71                                     | 180.74                            |
| Reclassification of actuarial gains / losses, arising in respect of employees' post employment benefit schemes, to Other Comprehensive Income (OCI) | 50.93                                    | 115.11                                     | 256.80                            |
| Impact of tax on dividend from joint venture  | (25.01)                                  | (25.01)                                    | (114.58)                          |
| Others  | (10.51)                                  | (18.48)                                    | (8.01)                            |
| Tax adjustments   | -  | -  | -                                 |
| <b>Loss after tax as reported under IND AS</b>  | <b>591.15</b>                            | <b>(1,794.45)</b>                          | <b>(4,085.94)</b>                 |
| <b>Other Comprehensive Income (net of tax)</b>  | <b>(661.44)</b>                          | <b>(93.26)</b>                             | <b>23.28</b>                      |
| <b>Total Comprehensive Income as reported under IND AS</b>  | <b>(70.29)</b>                           | <b>(1,887.71)</b>                          | <b>(4,062.66)</b>                 |

B. Reconciliation of Equity as reported under IGAAP is summarised as follows:

Rs. in Lakhs

| Particulars   | As at March 31, 2016 |
|---|----------------------|
| <b>As reported under IGAAP</b>  | <b>(4,992.80)</b>    |
| Impact of measurement of derivative instruments at fair value                       | (289.59)             |
| Impact of measurement of borrowings at amortized cost using effective interest rate | (29.04)              |
| Impact of change in functional currency of a subsidiary                             | 174.44               |
| Impact on account of measuring investments at fair value through OCI                | 26.73                |
| Others  | 64.46                |
| Tax effect  | 179.00               |
| <b>Equity Under IND AS</b>  | <b>(4,866.80)</b>    |

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4. Revenue from contracts are recognised on percentage completion method specified under Ind AS 11 - Constructions Contracts. 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 overheads, contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, cement and other related items are considered at current market price which is based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.
5. Trade receivables include retention money which are receivable on the completion of the performance guarantee test aggregating to Rs 25,042.15 lakhs as at September 30, 2016 (Rs 25,519.10 lakhs as at March 31, 2016).
6. The Company/Group has incurred losses of Rs. 698.54 lakhs / Rs. 747.17 lakhs during the half year ended September 30, 2016 and the accumulated losses as of the balance sheet date, amounting to Rs 18,374.14 lakhs/ Rs. 21,857.78 lakhs has eroded the net worth of the Company/Group. The Company/Group expects to generate cash flows from liquidating retention moneys relating to contracts that are in advanced stage of completion, which will be sufficient to meet the future obligations of the Company/Group in the next twelve months from the balance sheet date. Accordingly, the financial results have been prepared on going concern basis.
7. The recoverable amount of the cash generating unit which includes goodwill on consolidation of Rs 6,564.36 lakhs in respect of one of its subsidiary companies, has been estimated based on future cash flow projections. The statutory auditors' report contains a qualification in this regard. The statutory auditors' opinion for the year ended March 31, 2016 was also qualified on the same matter. Management is of the view that sales revenue projected are achievable considering improvement in market conditions and expected orders for the subsidiary company and thus no further impairment provision is required.
8. Employee benefit expense for the six months ended September 30, 2016 is net off excess provision written back amounting to Rs 578 lakhs.

Kolkata: November 4, 2016



*P. S. Reddy*  
P S Reddy  
Managing Director

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF TRF LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **TRF LIMITED** ("the Company"), for the quarter and six months ended September 30, 2016 and Standalone Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related interim financial statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

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

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

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the quarter and six months ended September 30, 2016.

4. We draw attention to the following matters:

- (i) Note No. 4 of the Statement, with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the Management based on current technical data, forecast and estimate of net expenditure to be incurred in future based on current cost and on the basis of purchase orders or future firm commitments which Management has confirmed are enforceable over the period of the contracts. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects / components and other technical inputs / matters considered in the determination of expected cost to completion of the contracts.
- (ii) Note No. 5 of the Statement, with respect to retention money receivable aggregating Rs.25,042.15 lakhs as at September 30, 2016 (March 31, 2016: Rs 25,519.10 lakhs), shown under trade receivables, which are receivable on the completion of the performance guarantee tests as per the terms of the contract.
- (iii) Note No. 6 of the Statement which states that the accompanying financial results for the quarter and six months ended September 30, 2016 have been prepared assuming that the Company will continue as a going concern. The Company has incurred recurring losses and has accumulated losses as on September 30, 2016. The Company continuing as going concern is dependent on the Company's ability to successfully complete existing contracts and generate cash flows from operations including realisation of retention money receivable to be able to meet its obligations as and when they arise in the twelve month period from the date of these financial results.

Our report is not modified on the above matters.

- 5. The Statement includes the results for the Quarter ended September 30, 2016 being the balancing figure between audited figures in respect of the six months period ended September 30, 2016 and the published figures for the quarter ended June 30, 2016 which were subject to limited review by us.

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



RUPEN K BHATT  
Partner  
(Membership No. 046930)

KOLKATA, November 4, 2016



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF TRF LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **TRF LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit of its jointly controlled entity for the quarter and six months ended September 30, 2016 and the Consolidated Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. .

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. We did not review the interim financial information of five subsidiaries and a joint venture included in the consolidated financial results, whose interim financial information reflect total assets of Rs.8,073.22 lakhs as at September 30, 2016, total revenues of Rs.1,911.96 lakhs and Rs.3,986.73 lakhs for the quarter and six months ended September 30, 2016, respectively, and total profit after tax of Rs.44.38 lakhs and Rs. 134.76 lakhs and Total comprehensive income of Rs.39.54 lakhs and Rs.138.28 lakhs for the quarter and six months ended September 30, 2016, respectively, as considered in the consolidated financial results.



The consolidated financial results also includes the Group's share of profit after tax of Rs.23.11 lakhs and Rs.131.30 lakhs and Total comprehensive income of Rs.22.69 lakhs and Rs.130.88 lakhs for the quarter and six months ended September 30, 2016, respectively, as considered in the consolidated financial results. in respect of a jointly controlled entity, whose interim financial statement / information / result have not been reviewed by us.

These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

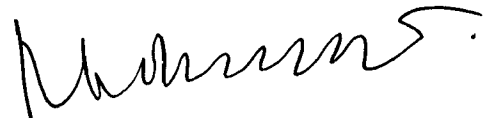
4. As referred to in note 7 to the consolidated unaudited financial results, the recoverable amount of the cash generating unit which includes goodwill arising on consolidation of Rs. 6564.36 lakhs as at September 30, 2016, in respect of a subsidiary company, has been estimated based on future cash flow projections. We have been unable to obtain sufficient audit evidence to satisfy ourselves on the reasonableness of the assumptions made to estimate the future cash flow projections and consequently, we are unable to determine whether any adjustment is necessary to the carrying amount of the goodwill. This matter was also qualified in our report on the consolidated financial statements for the year ended March 31, 2016.
5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 3 above and except for the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to the following matters:
  - (i) Note 4 to the consolidated unaudited financial results, with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the Management based on current technical data, forecast and estimate of net expenditure to be incurred in future based on current cost and on the basis of purchase orders or future firm commitments which Management has confirmed are enforceable over the period of the contracts. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects / components and other technical inputs / matters considered in the determination of expected cost to completion of the contracts.

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- (ii) Note 5 to the consolidated unaudited financial results, with respect to retention money receivable aggregating Rs.25.042.15 lakhs as at September 30, 2016, shown under trade receivables, which are receivable on the completion of the performance guarantee tests as per the terms of the contract
- (iii) Note 6 to the consolidated unaudited financial results which states that the accompanying financial results for the quarter and six months ended September 30, 2016 have been prepared assuming that the Group will continue as a going concern. The Group has incurred recurring losses and has accumulated losses as at September 30, 2016. The Group's continuing as going concern is dependent on the Group's ability to successfully complete existing contracts and generate cash flows from operations including realization of retention money receivable to be able to meet its obligations as and when they arise in the twelve month period from the date of these financial results.

Our report is not modified for the above matters.

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



RUPEN K BHATT  
Partner  
(Membership No. 046930)

KOLKATA, November 4, 2016

