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**37th  
Annual Report  
1999-2000**

**TRF Limited**  
A TATA ENTERPRISE

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### Board of Directors

- DR. J. J. IRANI** - Chairman from 24.7.2000  
**S. K. MUKHERJEE** - Chairman till 23.7.2000  
**BHASKAR MITTER**  
**R. N. SHARMA**  
**S. J. GHANDY**  
**R. SANKARAN**  
**N. P. SINHA**  
**A. J. ENGINEER**  
**S. N. MALHOTRA** - (from 9.6.2000)  
**SANTOSH K. GUPTA** - Managing Director  
**CYRIL DE SOUSA** - Sr. Executive Director (Business Development)

### Management

- Santosh K. Gupta**  
*Managing Director*  
**Cyril De Sousa**  
*Sr. Executive Director (Business Development)*  
**B. K. Singh**  
*Executive Vice President (Products)*  
**Gautam Maitra**  
*Executive Vice President (Projects)*  
**V. K. Thakar**  
*Vice President (Corporate)*  
**A. K. Sinha**  
*Sr. General Manager (Port & Yard Equipment)*  
**B. K. Mitra**  
*General Manager (Projects)*  
**S. K. Kanungoe**  
*General Manager (EPC & EPCM)*  
**Prasenjit Guha**  
*Company Secretary*

### Auditors

**A. F. FERGUSON & COMPANY**

### Registered Office

11, Station Road,  
 Burma Mines,  
 Jamshedpur - 831 007  
 Tel. No. : 0657-271286-293, 271295-306  
 Fax : 0657 - 271075  
 E-mail : trfho.jsr@rmj.sprintrpg.ems.vsnl.net.in  
 Website : www.trfltd.com

### Share Department

Tata Share Registry Limited  
 Army & Navy Building,  
 148, Mahatma Gandhi Road,  
 Mumbai - 400 001  
 Tel. No. 022-2873831  
 Fax No. 022-2844160/2844700  
 E-mail : tsrl@bom2.vsnl.net.in  
 Website : www.tata.com/tsrl

### Bankers

**BANK OF INDIA**  
**CANARA BANK**  
**CENTRAL BANK OF INDIA**  
**HONGKONG & SHANGHAI BANK**  
**IDBI BANK LTD.**  
**STATE BANK OF INDIA**  
**THE VYSYA BANK LTD.**

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## TRF LIMITED

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTYSEVENTH ANNUAL GENERAL MEETING OF TRF LIMITED will be held at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur - 831001 on Tuesday, August 22, 2000 at 12.00 noon to transact the following business :

1. To receive and adopt the Directors' Report, the Audited Profit and Loss Account for the year ended March 31, 2000 and the Balance Sheet as at that date together with the Auditors' Report thereon.
2. To declare a dividend.
3. To appoint Mr. D. S. Rao as Director, in the vacancy caused by the retirement of Mr. R. N. Sharma, Director, who retires by rotation and does not wish to seek re-appointment, and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, proposing his appointment as a Director.
4. To appoint a Director in place of Mr. S. N. Malhotra, who was appointed by the Board of Directors with effect from June 9, 2000 in the casual vacancy caused by the resignation of Mr. A. R. Shenoy, Director, and who holds office under Section 262 of the Companies Act, 1956, upto the date of the Annual General Meeting and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, proposing his appointment as a Director.
5. To resolve not to fill in for the present, the vacancy caused by the retirement of Mr. Bhaskar Mitter, Director, who retires by rotation and does not wish to seek re-appointment.
6. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

7. To appoint a Director in place of Dr. J. J. Irani, who was appointed an Additional Director of the Company by the Board of Directors with effect from June 9, 2000, and who holds office upto the date of the Annual General Meeting, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, proposing his appointment as a Director.
8. Amendments to Articles of Association  
To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution :  
"RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, if any, the Articles of Association of the Company be altered in the following manner :  
(a) In Article 1 - under heading Preliminary the definition of a 'member' be added as :  
"Member" means the registered holder of the shares of the Company from time to time including the subscribers to the Memorandum of Association

of the Company and will also include the beneficial owners as hereinafter defined in Article 21A.

After Article 21 add the following Article and heading 'Dematerialisation of Securities' :

**Article No. 21A****(i) Definitions:**

For the purpose of these Articles :-

'Beneficial Owner' means a person or persons whose name(s) is/are recorded as such with a depository;

'SEBI' means the Securities & Exchange Board of India;

'Depository' means a company formed and registered under the Companies Act, 1956 ('the Act'), and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992;

'Security' means such security as may be specified by SEBI from time to time.

**(ii) DEMATERIALISATION OF SECURITIES**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

**(iii) OPTION FOR INVESTORS**

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of the depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

**(iv) SECURITIES IN DEPOSITORIES TO BE IN FUNGIBLE FORM**

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of securities held by it on behalf of the beneficial owners.

(v) **RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS**

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Except as provided in (a) above, the depository as the registered owner shall not have any voting rights or any other rights in respect of securities held by it.

(c) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the depository, shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of his securities which are held by a depository.

(vi) **SERVICE OF DOCUMENTS**

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by the depository to the Company by means of electronic mode or by delivery of floppies or discs.

(vii) **TRANSFER OF SECURITIES**

Nothing contained in Section 108 and other applicable provisions of the Act, if any, or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in records of a depository.

(viii) **ALLOTMENT OF SECURITIES**

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) **DISTINCTIVE NUMBER OF SECURITIES**

Nothing contained in the Act or these Articles, regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(x) **REGISTER & INDEX OF BENEFICIAL OWNERS**

The Register and Index of beneficial owners maintained by the depository under the Depositories Act, 1996 shall be deemed to

be the Register and Index of Members and Security holders for the purposes of these Articles.

**NOTES :**

a) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos. 3, 4, 7 & 8 above are annexed hereto.

b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXY FORM SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

c) The Register of Members and Share Transfer Books of the Company will be closed from Saturday, July 22, 2000 to Saturday, August 5, 2000 (both days inclusive) for the purpose of ascertaining the dividend.

d) The dividend on shares as recommended by the Directors, if declared at the meeting, will be payable to those members whose names appear on the Register of Members of the Company as on August 5, 2000 subject, however, to the provisions of Section 206A of the Companies Act, 1956.

e) Upto the financial year ended March 31, 1995, all unclaimed dividends have been transferred to the General Revenue Account of the Central Government. Members who have not encashed or not received their dividend warrants for the financial years 1995-96 upto 1998-99, are requested to write to the Company or the Share Registrars - M/s Tata Share Registry Limited.

f) Members are requested to promptly notify their change in address to the Share Registrars, specifying their new address in block letters with Pin Code Number.

g) In order to avoid additional work for multiple accounts held, the shareholders are requested to intimate the ledger folios of such accounts and send the share certificates directly to the Share Registrars for consolidation. The certificates after consolidation will be returned in due course.

h) Nomination forms pursuant to Section 109A of the Companies Act, 1956 are available with the Company and with the Share Registrars. Any shareholder wishing to exercise the nomination rights may write to the Company or the Share Registrars for a copy of the form.

By Order of the Board of Directors

*Registered Office :*

11, Station Road,  
Burma Mines,  
Jamshedpur - 831 007  
June 9, 2000

Prasenjit Guha  
Company Secretary

**Annual Report 1999-2000****ANNEXURE TO NOTICE****Explanatory Statements under Section 173(2) of the Companies Act, 1956**

As required under Section 173 of the Companies Act, 1956 (hereinafter referred to as 'the Act') the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 3, 4, 7 & 8 of the accompanying Notice dated June 9, 2000, convening the meeting.

**ITEM NO. 3**

Mr. D. S. Rao is the Managing Director of Tata Projects Limited, a company engaged in contracts and turnkey execution of projects. A Notice has been received from a member as required by Section 257 of the Act, along with a deposit of Rupees five hundred proposing Mr. Rao's appointment as a Director.

Considering the vast knowledge and experience of Mr. Rao, your Board considers that the appointment of Mr. D. S. Rao as Director will be of immense benefit to the Company and commends for your approval his appointment.

No Director is concerned or interested in the Resolution.

**ITEM NO. 4**

Mr. A. R. Shenoy, Director retired from the services of The Associated Cement Companies Limited (ACC) and consequent to this, resigned from the Board of the Company. ACC has nominated Mr. S. N. Malhotra in place of Mr. Shenoy. The Board of Directors have appointed Mr. S. N. Malhotra in the casual vacancy caused by the resignation of Mr. A. R. Shenoy, effective June 9, 2000. Under Section 262 of the Act, read with Article 104 of the Articles of Association of the Company, Mr. Malhotra holds office of Director upto the date of the Annual General Meeting. A Notice has been received from a member as required by Section 257 of the Act, along with a deposit of Rupees five hundred proposing Mr. Malhotra's appointment as a Director.

Mr. Malhotra is President, ACC Machinery Company Limited and is also the Managing Director of ACC Nihon Castings Limited. The Board considers that the appointment of Mr. Malhotra as a Director would be of immense benefit to the Company and commends for your approval his appointment.

Except Mr. S. N. Malhotra, no other Director is concerned or interested in the Resolution.

**ITEM NO. 7**

Dr. J. J. Irani was appointed an Additional Director of the Company by the Board of Directors effective June 9, 2000. According to the provisions of Section 260 of the Act read with Article 104 of the Articles of Association of the Company, he holds office of Director upto the date

of Annual General Meeting. A Notice has been received from a member as required by Section 257 of the Act along with a deposit of Rupees five hundred proposing Dr. Irani's appointment as a Director.

Dr. Irani is the Managing Director of the Tata Iron & Steel Company Ltd., the largest private sector integrated Iron & Steel plant and was the Chairman of the Company from October 11, 1984 to March 24, 1988 and thereafter a Director upto September 27, 1997. The Board considers that the appointment of Dr. Irani as a Director on the Board would be of immense benefit to the Company and commends for your approval his appointment.

Except Dr. J. J. Irani, no other Director is concerned or interested in the Resolution.

**ITEM NO. 8**

With the introduction of Depositories Act, 1996, the depository system has become functional. As a result of this, several provisions of the Act, relating to issue, holding, membership, transfer, transmission of shares and other securities have been amended to facilitate the implementation of the new system of dematerialisation (demat).

The depository system of holding securities in an electronic form is a far safer and more convenient method for holding and trading in the securities of a Company. To enable your Company to dematerialise its securities, as and when required, and to spell out the rights of the beneficial owner of the securities in depository system, it is proposed that the Company's Articles of Association be suitably altered, as set out in Resolution No. 8. The Board commends the Resolution for your approval.

None of the Directors are deemed to be concerned or interested in the resolution except to the extent they hold the shares in the Company that may be changed to the dematerialised form.

A copy of the Articles of Association incorporating the proposed alterations is available for inspection by Members of the Company at the Registered Office between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays.

By Order of the Board of Directors

*Registered Office :*

11, Station Road,  
Burma Mines,  
Jamshedpur - 831 007  
June 9, 2000

Prasenjit Guha  
Company Secretary





## Highlights

Rupees in lakhs

	1999-2000	1998-99 *	1997-98 *	1996-97 *	1995-96 *
Sales	128,57.95	188,40.02	150,70.20	125,48.39	103,51.93
Employee costs	19,66.48	21,44.31	18,13.11	17,29.96	15,19.73
Depreciation	1,88.46	1,89.01	2,14.90	1,93.18	1,45.20
Interest & brokerage	2,49.67	3,44.20	5,75.00	4,81.18	2,56.01
Profit before taxes	6,33.77	2,96.80	11,77.83	6,81.13	4,75.32
Taxes	1,40.00	169.00	2,50.00	2,76.00	2,32.00
Profit after taxes	4,93.77	1,27.80	9,27.83	4,05.13	2,43.32
Dividend (%)	22	20	35	30	27.5
Net fixed assets	13,04.43	12,68.39	13,72.71	18,73.90	13,98.91
Share capital	5,50.22	4,68.19	4,68.19	4,68.19	4,68.18
Reserves and surplus	26,31.66	22,23.75	21,99.88	14,52.30	11,60.65
Net worth	31,81.88	26,91.94	26,68.07	19,20.49	16,28.83
Borrowings	15,66.87	27,48.46	29,55.45	31,56.59	15,35.13
Net worth per share (Rs.)	57.83	57.50	56.99	41.02	34.79
Debt : Equity ratio	0.49:1	1.02:1	1.1:1	1.6:1	0.9:1
Works production	42,46.50	63,81.61	69,78.14	56,41.33	38,74.21
Progress billings	100,26.98	92,01.45	151,91.83	109,16.65	68,71.94
Number of employees	1194	1168	1315	1345	1359

\* Pre-amalgamation figures

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## Directors' Report

## To the Members

The Directors are pleased to present their Thirtyseventh Annual Report and the audited statement of accounts for the year ended March 31, 2000.

	Rupees in lakhs	
<b>1.0 Financial Results</b>		<i>Previous Year*</i>
Sales	128,57.95	188,40.02
Other Income	2,42.44	1,21.24
Total Income	131,00.39	189,61.26
Cost of Operations	121,31.57	180,53.26
Profit before Interest, Depreciation & Taxes	9,68.82	9,08.00
Interest	2,49.67	3,44.20
Depreciation	1,88.46	1,89.01
Profit from Operations	5,30.69	3,74.79
Employees Separation Scheme charges	75.99	77.99
Extra ordinary Items	1,79.07	—
Profit before taxation	6,33.77	2,96.80
Provision for taxation	1,40.00	1,69.00
Profit for the year after taxation	4,93.77	1,27.80
Transfer from/(to) Debenture Redemption Reserve	—	24.70
Balance in Profit and Loss Account brought forward	2,10.27	1,76.70
Profit available for appropriation	7,04.04	3,29.20
<b>Appropriations</b>		
Proposed dividend	1,21.05	93.63
Tax on proposed dividend	26.63	10.30
	1,47.68	1,03.93
General Reserve	50.00	15.00
Balance carried forward to Balance Sheet	5,06.36	2,10.27
	7,04.04	3,29.20

\* Pre-amalgamation figures



## 2.0 Dividend

The Directors recommend payment of dividend @ 22% for the year ended March 31, 2000 (Previous year : 20%).

## 3.0 Amalgamation

The amalgamation of Tata Material Handling Systems Limited (TMHS) and Tata Technodyne Limited (TTDL) with TRF Limited (TRF) was approved by the members, subject to approval and/or confirmation to the Scheme of Amalgamation by the Hon'ble High Courts at Calcutta and Patna (Ranchi Bench) and other Authorities. The Directors are pleased to inform the members that the process of amalgamation of the three companies has been completed during the year.

TMHS is now operating as Port and Yard Equipment Division of TRF and TTDL is operating as EPC/EPCM Division of TRF.

## 4.0 Industry Scenario

The general slowdown in the economy and low investment levels in the core sectors have adversely affected the order intake and consequently the activity level in Projects and the Works. The Port Sector, however has been more buoyant. The Company's order booking further suffered due to the Purchase Preference Policy followed by the Government of India in favour of the PSUs. The matter has

been brought to the attention of the appropriate authorities for review.

## 5.0 Operations

The sales of the Company during the Year (post amalgamation) was Rs. 128.58 crores [Previous Year (pre-amalgamation) : Rs. 188.40 crores]. Taking the other income for the Year of Rs. 2.42 crores (Previous Year : Rs. 1.21 crores), the total income of the Company during the Year was Rs. 131.00 crores (Previous Year: Rs. 189.61 crores). Profit before tax for the Year was Rs. 6.34 crores (Previous Year : Rs. 2.97 crores). Profit after tax for the Year was Rs. 4.94 crores (Previous Year : Rs. 1.28 crores).

During the year under review, your Company successfully completed, amongst others the following :

- a) Cold trial of the Stamping Charging & Pushing Machine, Tata Steel, Battery No. 9.
- b) Performance Guarantee test for the Coal Dust Injection System, SAIL - Bokaro.
- c) Commissioning of the Coal Handling Plant, NTPC, Unchahar.
- d) Supply of two Ship Unloaders to Oswal Chemicals & Fertilizers Ltd., Paradeep and installation of first one.

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- e) Supply of 8 Nos. 10 t Level Luffing Cranes to Mumbai Port Trust, Mumbai and commissioning of the first crane.
- f) Supply of 20 t Level Luffing Crane to South India Corporation Ltd., Chennai.
- g) Extension of the Materials Management Centre (MMC), Tata Ryerson Ltd., Jamshedpur.
- h) Commissioning of the 'Skoda' Floor Type Horizontal Boring and Milling machine at the Company's Jamshedpur Works.

**6.0 Exports**

During the year, the Company exported through Tata International Limited conveyor rollers of a new design to Afla' A Al-Khaleege Group, Saudi Arabia.

**7.0 Future Outlook**

The amalgamation of the three companies has widened and strengthened the business of your Company. The Company is making efforts to consolidate and leverage its strengths in the existing and new business areas. Thrust is being given to the business of coal washeries and emerging EPC/EPCM business.

**8.0 Collaborations/Associations**

The Company signed an Association Agreement, specially for high speed

and high capacity conveying systems with Messrs. Hatch Associates, Australia. Consequent to this association, your Company would now be in a position to pre-qualify and cater to projects requiring such systems.

The Company is maintaining its existing collaborations/associations with Messrs. Techint (formerly : Italimpianti), Saarberg Interplan (now with Koch Transporttechnik GmbH), Schalker Eisenhutte Maschinenfabrik GMBH (Schalke) and BMH Claudius Peters for respective products and services.

**9.0 Costs**

During the year under review, your Company Management initiated various cost control measures and has achieved substantial reduction in operational and administrative costs. Efficient utilisation of resources enabled the plant to contain erosion of margins inspite of declining prices due to intense competition.

**10.0 Working Capital Management & Cashflow**

The Company paid considerable attention to the working capital management and cash flow. With concerted efforts, the Company Management has been able to reduce the total borrowings from Rs. 27.48