



**TIL LIMITED**

# ANNUAL REPORT

2014-15

## Forward Looking Statement

In this Annual Report, the forward-looking information if any, is for enabling investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccuracies in our assumptions. Should known or unknown risks or our uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, arising as a result of new information, future events or otherwise.

## CONTENTS

<u>Corporate Information</u>	1
<u>Chairman &amp; Managing Director's Message</u>	2
<u>Directors' Report with Annexures</u>	4
<u>Independent Auditors' Report</u>	65
<u>Financial Section</u>	70

# CORPORATE INFORMATION

## TIL LIMITED

### BOARD OF DIRECTORS

**Mr. A. Mazumdar**

*Chairman Emeritus*

**Mr. Sumit Mazumder**

*Chairman & Managing Director*

**Mr. R. L. Gaggar**

*Non-Executive Independent Director*

**Mr. G. Swarup**

*Non-Executive Independent Director*

**Dr. T. Mukherjee**

*Non-Executive Non-Independent Director*

**Mr. S. V. Ramana Rao**

*Nominee of Life Insurance Corporation of India  
(With effect from 10th September 2014)*

**Ms. Veena Hingarh**

*Non-Executive Independent Director  
(With effect from 26th March 2015)*

### KEY MANAGERIAL PERSONNEL

**Mr. Somnath Bhattacharjee**

*President & Chief Executive Officer*

**Mr. Alope Banerjee**

*President & Chief Financial Officer*

**Mr. Sekhar Bhattacharjee**

*Company Secretary*

### REGISTERED OFFICE

1, Taratolla Road, Garden Reach  
Kolkata 700 024  
Telephone : (033) 2469 3732 - 36 (5 Lines)  
(033) 6633 2000 / 2845  
E-mail : secretarial.department@tilindia.com

### REGISTRAR AND SHARE TRANSFER AGENTS

C B Management Services (P) Limited  
P-22, Bondel Road, Kolkata 700 019  
Telephone : (033) 4011 6700 / 6711 / 6718  
Email : rta@cbmsl.com

### BOARD COMMITTEES

#### AUDIT COMMITTEE

*Members:*

Mr. G. Swarup - Chairperson

Mr. R. L. Gaggar

Dr. T. Mukherjee

Mr. S. V. Ramana Rao

Ms. Veena Hingarh

#### NOMINATION & REMUNERATION COMMITTEE

*Members:*

Mr. R. L. Gaggar - Chairperson

Dr. T. Mukherjee

Mr. G. Swarup

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

*Members:*

Mr. R. L. Gaggar - Chairperson

Mr. Sumit Mazumder

Mr. G. Swarup

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

*Members:*

Mr. Sumit Mazumder - Chairperson

Mr. R. L. Gaggar

Dr. T. Mukherjee

### STATUTORY AUDITORS

Deloitte Haskin & Sells

### SECRETARIAL AUDITORS

T. Chatterjee & Associates

### BANKERS

Bank of India

Union Bank of India

ING Vysya Bank Ltd.

State Bank of Bikaner & Jaipur

State Bank of India

State Bank of Hyderabad

Axis Bank Ltd.

Citi Bank N.A.

HDFC Bank Ltd.

DBS Bank Ltd.

RBL Bank Limited

## CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

It gives me great pleasure to present the Annual Report of your Company for the financial year 2014-15. In the last year's Annual Report, I had spoken about the uncertainties facing our economy and many issues that had affected manufacturing, mining and infrastructure growth. While the macroeconomic environment has certainly improved, challenges persist in the form of muted demand and depressed consumer sentiments. What is, however, beyond any reasonable doubt is the Government's continued commitment to reforms and its efforts to embellish our country's image on the global eco-political landscape - a fact that gives us enough reasons to harbor hopes for the near term.



The national output hasn't been entirely discouraging either. By virtue of the newly adopted global system of GDP calculation, our GDP growth for the recently concluded fiscal year 2014-15 has been tentatively pegged at 7.4%. The GDPs of the preceding two years have also been significantly upgraded to 5.1% and 6.9% for FY13 and FY14 respectively.

India's full growth potential has definitely been compromised by restrictive policies and political indecision on major issues - with Infrastructure, Manufacturing and Mining sectors bearing the brunt of the slowdown. A protracted inflationary phase has further dampened consumer sentiments - which are yet to recover - as evident from suboptimal corporate earnings, despite inflation, both at the wholesale and retail levels, having declined sharply in the last fiscal year. The depressed market conditions had an adverse bearing on the performance of your Company. The Roads & Highways sector - the space that your Company operates in - continued to stagnate amidst liquidity issues of developers, litigations and consequent subdued lender and private sector interest. Respite came in the form of some very good performance by your Company's mining business division, which also broke new grounds in its maiden foray into underground mining.

The consolidated income of your Company for the year under review stands at ₹ 1496 Crs. vis-à-vis ₹ 1322 Crs. in the previous year (2013-14). Profit before Tax (PBT) for the year was ₹ 25 Crs. compared to ₹ 15 Crs. in the last year, recording a 66.66%

growth. As far as the performances of individual divisions of your Company are concerned, Material Handling Solutions (MHS) registered a decline of 2.7% in revenue due to persistent weakness in market demand.

*Despite the scepticism in some circles, Industry is largely optimistic and believes that the Indian economy is at the initial stages of a business cycle recovery.*

Equipment and Project Solutions (EPS) business, in its third year of commercial operations, posted a revenue of ₹ 98.1 Crs. in FY 2014-15 vis-à-vis ₹ 48.3 Crs. in FY 2013-14. Despite registering a growth of more than 100%, we are confident of bettering this performance as market conditions improve in the near term. The year 2014-15 also had some notable accomplishments for your Company - maintaining market leadership in the RT Crane and ReachStacker segments with 81% and 52% market shares respectively, rolling out the 100th Hyster-TIL ReachStacker from the Changual factory at Kharagpur, selling our first indigenously manufactured Wheeled Crushing & Screening Plant, launching our indigenously manufactured Vertical Shaft Impact Crusher, et cetera.

TIPL, the 100 % subsidiary of your Company, recorded a revenue of ₹ 1147.24 Crs. in FY 2014-15 vis-à-vis ₹ 1014.44 Crs. in the FY 2013-14, registering a growth of over 13%. The Construction & Mining division accounted for 71.48% of total revenues and Power Systems Solutions, rechristened as Energy & Transport division, contributed to 21.1%. The Bucyrus portfolio under our mining business accounted for the remaining 7.42% of TIPL's revenues. During the year under review, TIPL maintained focus on its Retail Strategy and simultaneously consolidated its position with the large accounts. A major breakthrough was achieved in the mining business with TIPL successfully commissioning Cat® Continuous Mining technology at the Jhanjra Underground project of Eastern Coalfields Limited (ECL) and subsequently setting new records in productivity. These achievements have been recorded in details in later sections of this report.

The outlook for the ongoing fiscal year remains positive. Despite the scepticism in some circles, Industry is largely optimistic and believes that the Indian economy is at the initial stages of a business cycle recovery. Going forward, our Government would need to adopt an integrated approach - continuing with its strategic reforms agenda, and looking at both macro and

sectoral policies to maintain the growth momentum. We would much rather see our economy make an assured recovery, scaled up gradually, with all structural safeguards in place.

Much to the collective relief of Indian Industry, our Government has addressed economic reforms on a war footing. In order to improve our country's ranking on the World Bank's Ease of Doing Business parameter, significant steps are being taken in terms of online tracking and clearance of projects, simplifying labor laws and amending taxation norms to ensure a non-adversarial regime, amongst other things. The Roads and Highways sector - a major thrust area for the Government - is expected to benefit from a considerably expanded budgetary allocation (up by 178% over last year), in addition to a comprehensive new exit clause for developers, innovative fund raising initiatives adopted by the Government, and expeditious clearance of projects by the Cabinet Committee on Infrastructure. It is expected that the benefits will flow into the sector that your Company operates in over the course of the ongoing fiscal year. The Coal Block auctions, along with the Coal Mines (Special Provisions) Act, 2015, which has provisions for opening up commercial coal mining to the private sector, is expected to spell good news for your Company in the near to medium term.

I am confident that your Company will continue to focus on our core values and strategies as we embrace and capitalize on emerging new opportunities in the near term. We remain dedicated as ever towards optimizing profitability and enhancing stakeholder value. On behalf of the entire TIL family, I take this opportunity to thank all customers, employees, shareholders, principals, bankers and business associates for their continued support and partnership.

Warm Regards,

**Sumit Mazumder**

Chairman & Managing Director



TIL LIMITED  
**DIRECTORS'  
REPORT**



Your Directors have pleasure in presenting the 71st Annual Report and Audited Accounts for the year ended 31st March 2015 as under:

**FINANCIAL RESULTS**

(₹ / Crs.)

	For the year ended	
	31.03.2015	31.03.2014
Profit for the year after meeting all expenses but before charging Depreciation and Finance Cost	30.25	45.45
Less: Finance Cost	41.66	30.61
Depreciation	17.60	11.13
<b>Profit Before Tax</b>	<b>(29.01)</b>	<b>3.71</b>
Tax Provision		
a) Current Tax	-	0.04
b) Deferred Tax (Credit)/Charge	(0.39)	1.16
<b>Profit After Tax</b>	<b>(28.62)</b>	<b>2.51</b>
Balance Net Profit available for appropriation	(28.62)	2.51
<b>Appropriations</b>		
General Reserve		0.13
Proposed Dividend:		
Equity Shares		1.50
Tax on Dividend		0.26
<b>Balance Carried Forward</b>	<b>(28.62)</b>	<b>0.62</b>

## PERFORMANCE

The consolidated turnover of your Company's Group including Income from Operations (Gross) and other Income during the year ended 31st March 2015 stood at ₹ 1507.58 Crs. compared to ₹ 1347.72 Crs. in the previous year. Profit before tax for the Group was ₹ 22.16 Crs. compared to ₹ 14.67 Crs. in the previous year.

On standalone basis, turnover including income from operations (gross) and other Income for the year under review stood at ₹ 348.64 Crs. vis-à-vis ₹ 307.71 Crs. in the previous year. The Company incurred a loss of ₹ (29.01) Crs. vis-à-vis profit before tax of ₹ 3.71 Crs. in the previous year.

### Tractors India Pvt. Ltd.

Tractors India Pvt. Ltd., the Wholly Owned Subsidiary Company in India, achieved a turnover including income from operations (gross) and other Income of ₹ 1147.24 Crs. compared to ₹ 1014.44 Crs. in the previous year. Profit before tax stood at ₹ 54.25 Crs. compared to ₹ 11.69 Crs. in the previous year.

### Foreign Subsidiaries:

During the year under review, the consolidated revenue of the foreign subsidiary companies stood at ₹ 11.7 Crs. as compared to previous year's consolidated revenue of ₹ 25.57Crs. The foreign subsidiaries reported a consolidated loss of ₹ (3.08) Crs. during the year under review as compared to loss of ₹ (0.73) Crs. during the previous year.

## FINANCE

After adjusting ₹ 0.39 Crs. as deferred taxation gain and loss of ₹ 28.62 Crs. for the current year, the Reserves & Surplus (excluding Revaluation Reserves) of the Company has reduced from ₹ 255.97 Crs. to ₹ 226.08 Crs. and the Shareholders' Fund (excluding Revaluation Reserves) decreased from ₹ 266.00 Crs. to ₹ 236.11 Crs.

The Reports and Accounts of Subsidiary Companies are annexed to this Report along with the statement pursuant to Section 129 of the Companies Act, 2013.

## DIVIDEND

Owing to loss incurred in the financial year 2014-15, the Board does not recommend payment of any Dividend.

## SUBSIDIARY COMPANIES

During the year under review, Myanmar Tractors Limited (MTL), a step down subsidiary of the Company was hived off from the Group. Presently, your Company has three subsidiary companies viz. Tractors India Private Limited (TIPL), TIL Overseas Pte. Ltd. (TILO) and Tractors Nepal Private Limited (TNPL) respectively.

## BOARD OF DIRECTORS

The Board of your Company consists of the following Directors:

NAME OF DIRECTORS	DESIGNATION	DIN
Mr. Sumit Mazumder	Chairman and Managing Director	00116654
Mr. R. L. Gaggar	Non-Executive Independent Director	00322904
Mr. S. V. Ramana Rao	Nominee Director – LIC	07002758
Mr. G. Swarup	Non-Executive Independent Director	00374298
Dr. T. Mukherjee	Non-Executive Director	00004777
Ms. Veena Hingarh	Non-Executive Independent Director	00885567

Mr. U. V. Rao, Non-Executive Independent Director and also the Chairman of the Audit Committee of the Company left for his heavenly abode on 24th January 2015 after a long association with the Company since August, 1994. Your Company unanimously wishes to place on record its sincere appreciation for the exemplary services rendered by Mr. U.V. Rao towards the Company during his tenure. He had been a pillar of strength to the Company and his association would always be cherished by the Board and the Management of the Company.

Life Insurance Corporation of India (LIC), a major shareholder of the Company, has withdrawn the nomination of Mr. K. B. Saha and has nominated Mr. S. Venkata Ramana Rao, ED-CP/NPRJ (DIN 07002758) on the Board of the Company. Mr. Ramana Rao has been inducted as a Nominee Director of LIC on the Board of the Company by the Board at its meeting held on 25th October 2014.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Ms. Veena Hingarh (DIN 00885567), Chartered Accountant has been appointed as a Non-Executive Independent Director of the Company with effect from 26th March 2015 for a term of one year. In accordance with the provisions of Section 150 of the Companies Act, 2013, appointment of Independent Directors are subject to approval of the shareholders of the Company and for that reason resolution proposing appointment of Ms. Veena Hingarh form a part of the Notice of the 40th Annual General Meeting read with the Explanatory Statement thereto. She shall not be liable to retire by rotation.

Mr. S. Mazumder retires by rotation and being eligible, offer himself for re-appointment. The Board recommends his re-appointment. As per the disclosure received from the directors, none of the directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013.

The Independent Directors have furnished required declaration as provided in Section 149(7) of the Companies Act, 2013 regarding their independence.

### **Formal Annual Evaluation of the Board**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive and Non-Executive Directors including that of the Board as a whole. The Committee has already reviewed the performance of the Directors and the Board for the year under review. The evaluation was done primarily through a questionnaire duly completed by all Directors providing specific rating for other Directors and also the Board as a whole.

### **Board Meetings**

The Board of Directors met six times during the financial year 2014-15 on 5th May 2014, 20th May 2014, 28th July 2014, 25th October 2014, 5th February 2015 and 26th March 2015.

## **KEY MANAGERIAL PERSONNEL**

In compliance with the provisions of Section 203 of the Companies Act, 2013, the Company formally appointed the following persons as Key Managerial Personnel of the Company effective from 1st April 2014:

1. Mr. Somnath Bhattacharjee, Chief Executive Officer – MHS & EPS
2. Mr. Alope Banerjee, Chief Financial Officer
3. Mr. Sekhar Bhattacharjee, Company Secretary

## **FIXED DEPOSIT**

The Company has not accepted any deposits from the public during the year as defined under Section 73 of the Companies Act, 2013. Deposit outstanding as on 31st March 2015 including unclaimed deposit was Nil.

## **SHARE CAPITAL**

During the year under review, the Company has neither issued any class of shares nor there has been any buy-back of shares. Further, the Company does not have any stock option plan for employees.



## STATE OF COMPANY'S AFFAIRS

The state of affairs of the Company together with SWOT analysis has been given in the Management Discussion Analysis section which forms a part of this Report.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no material changes which has affected the financial position of the Company. Decline in turnover of the Company is primarily attributable to factors like persistent weaknesses in market demand for machines, continued sluggish activity in the road & infrastructure sector, liquidity crisis, etc.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and Clause 49(III)(D)(4)(a) of the listing agreement with Stock Exchanges in the preparation of the annual accounts for the year ended on 31st March 2015 and state that :

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being in manufacturing business, does not have any policy to give loans, directly or indirectly, to any person or to other body corporates or give any guarantee or provide any security in connection with a loan to any other body corporate except for its subsidiary. The Company also does not make any investment in securities of any other body corporate.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Subject to any disclosure in the financial section thereof, the Company has not entered into any contract or arrangement with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

## AWARDS AND CERTIFICATIONS

### Fastest Growing Construction Equipment Company

Your Company emerged as the fastest growing construction equipment company in India as per the Construction World Annual 2014 study. The Construction World Global Awards are given across broad categories of construction companies / contractors, construction equipment manufacturers and building material manufacturers – felicitating achievers and inspiring industry to raise the benchmarks of performance. 2014 being the 70th year of your Company – a great milestone in itself – the award bears special significance for us. Significantly, TIL was the recipient of this award in 2006, 2007 and 2011, as well. It is a prestigious accomplishment and exemplifies your Company's commitment to creating a positive difference to Indian infrastructure and the nation's manufacturing industry.

### Global HR Excellence Award in Talent Management

Your Company has always been driven by the philosophy of adopting best-in-class people practices. As a tribute to this enduring belief, TIL was recently recognised by the World HRD Congress for best HR practices, in the category of Global HR Excellence in Talent Management. It is a true honour for TIL to have been accredited for people practices and processes which act as a benchmark in the HR industry. The award serves as a great impetus to your Company's most cherished core value – something that has been integral to our success over seven long decades.

## HUMAN RESOURCE

The total number of employees of the Company as on 31st March 2015 was 1015.

Your Company believes that employees are the most valuable assets of an organization and the optimum utilization of the skill, knowledge and attitude they possess are instrumental to the growth of the organization. Your Company has lived and encouraged Meritocracy, Entrepreneurship, Teamwork and Performance driven culture which is clearly reflected in its policies.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements under 'The Sexual Harassment of Women at Workplace' (Prohibition, Prevention and Redressal) Act, 2013. A Committee has been constituted with effect from 1st April 2015 to administer the Policies as prescribed under the said Act which shall operate for both the Company and its subsidiary Company Tractors India Private Limited. In terms of the said Act, the Committee is being headed by Ms. Shilpa Chakravarty (Head - Knowledge Resource Management), together with other members being employees of the Group namely, Mr. Sekhar Bhattacharjee (Legal), Mr. Neeraj Chhabra (Marketing) and Ms. Sampa Bhowmick (Knowledge Resource Management) together with Ms. Chama Mukherjee, an accomplished lawyer who is the External Member of the Committee. The primary objective of the Committee shall be to develop awareness amongst all the employees at different locations.

No complaint has been received by the Committee since its formation.

## CORPORATE GOVERNANCE

The Corporate Governance Report giving the details as required under Clause 49 of the listing agreement with the Stock Exchanges is attached as Annexure I and forms part of this Report. The Corporate Governance Certificate for the year ended on 31st March 2015 issued by Messrs. Deloitte Haskins & Sells (FRN : 302009E), Chartered Accountants, Kolkata Statutory Auditor of the Company, is also attached as Annexure II and forms a part of this Report.

## AUDIT COMMITTEE

Mr. G. Swarup, Non-Executive Independent Director and a Member of the Audit Committee of the Board of Directors was appointed as the Chairman of the Committee with effect from 5th February 2015 in place of Late U. V. Rao, who left for his heavenly abode on 24th January 2015.

Mr. S. Venkata Ramana Rao, Nominee Director of LIC on the Board of the Company has been inducted in the Audit Committee of the Board of Directors as a Member with effect from 5th February 2015.

Ms. Veena Hingarh, Non-Executive Independent Director of the Company has also been inducted as a Member of the Audit Committee of the Board of Directors with effect from 26th March 2015.

The details of terms of reference of the Committee, number and dates of meetings held during the year ended 31st March 2015, attendance of the Directors are given separately in the attached Corporate Governance Report.

### Vigil Mechanism

The Company has established a vigil mechanism for directors and employees by adopting a Whistle Blower Policy which is available on the website of the Company (weblink [http://www.tilindia.in/investor/whistle\\_blower\\_policy.php](http://www.tilindia.in/investor/whistle_blower_policy.php))

## NOMINATION AND REMUNERATION COMMITTEE

Mr. G. Swarup, Non-Executive Independent Director and Chairman of the Audit Committee of the Board of Directors was appointed as a Member of the Committee with effect from 5th February 2015 in place of Late U. V. Rao, who left for his heavenly abode on 24th January 2015.

The Company's Appointment and Remuneration Policy is available on the Company's website (weblink [http://www.tilindia.in/investor/appointment\\_remuneration\\_policy.php](http://www.tilindia.in/investor/appointment_remuneration_policy.php)) and is also attached as Annexure X and forms part of this Report.

The details of terms of reference of the Nomination and Remuneration Committee, number and dates of the meetings held, attendance of the Directors and remuneration paid to all the Directors are given separately in the attached Corporate Governance Report.

## ADOPTION OF CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A Corporate Social Responsibility (CSR) Policy has been adopted by the Board at its meeting held on 25th October 2014 and is available on the Company's website (weblink [http://www.tilindia.in/investor/csr\\_policy.php](http://www.tilindia.in/investor/csr_policy.php)). The Policy is attached as Annexure IV and forms a part of this Report.

The terms of reference of the Corporate Social Responsibility Committee, number and dates of meeting held, attendance of the Directors are given separately in the attached Corporate Governance Report.

## CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Your Company is committed towards good corporate citizenship and believes that an organization cannot be sustainable or economically viable over a long term if it doesn't accept its responsibilities towards society and environment. At the end of the day CSR is much more than compliance or ethical conduct, and goes a long way in defining the character of a company. This inclusive form of growth is the stepping stone towards nation building. Your Company has been engaged in caring for its society, its people and environment in more than one ways with main focus in the areas of Health & Education. During the financial year 2014-15, your Company has undertaken certain new and ongoing activities as detailed below:

**TIL Caring Day:** 22nd July, Foundation Day of your Company, is rechristened as TIL Caring Day to enhance service towards humanity. Every year on this day, the dedicated CSR team and TIL volunteers reach out to the underprivileged sections of our society. Last year, your Company supported elderly and underprivileged people of the society across 23 locations.

**Mobile Medical Units:** Your Company supports two Mobile Medical Units in partnership with HelpAge India in Kamarhatty and Garden Reach areas of Kolkata. Under this initiative, free medical consultation and geriatric medicines on a weekly basis are provided to the senior citizens living below the poverty line (BPL). Approximately 5000 consultations have been provided till date to the elderly needy citizens under this project.

**Puja Parikrama:** Your Company has been organizing 'Puja Parikrama' every year. Last year, 220 underprivileged children from slums were taken around selected puja pandals of Kolkata during Durga Puja. Besides Pandal Hopping, children were provided with special meal and gifts.

**Anganwadi Centres:** Your Company supports two Anganwadi Centres in Metiabruz area in Kolkata. Under the Project the CII-UNICEF CSR Hub has chosen to rehabilitate the Integrated Child Development Services / Anganwadi Centers in West Bengal (in both rural and urban settings) through a PPP model and the goals are to reduce under-nutrition, monitor nutritional growth for both mother and child, and ensure school-ready education to children. Each Anganwadi Centre supports approximately 70 children and about 30 pregnant and lactating mothers. Thus the number of direct beneficiaries for each Anganwadi Centre is approximately 100 women and children.

**Diagnostic Clinic:** Your Company has supported a charitable Diagnostic Clinic in North 24 Parganas, West Bengal with quality medical equipment for the benefit of economically weaker sections of the Society.

A detailed report on CSR Activities carried out by the Company during the year ended 31st March 2015 is attached as Annexure V and forms a part of this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Clause 49 of the Listing Agreement of the Stock Exchanges, Management Discussion and Analysis Report is attached as Annexure VI and forms a part of this Report.

## STATUTORY AUDITORS

The Statutory Auditors of the Company, Messrs. Deloitte Haskins & Sells (FRN : 302009E), Chartered Accountants, Kolkata, hold office till the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. The Audit Committee and the Board of Directors recommends the re-appointment of Messrs. Deloitte Haskins & Sells (FRN : 302009E), Chartered Accountants, Kolkata as the Auditors of the Company for the financial year 2015-16 till the conclusion of the next Annual General Meeting. The re-appointment proposed is within the time frame for transition under the third proviso to sub-section (2) of Section 139 of the Companies Act, 2013.

## STATUTORY AUDITORS' REPORT

The Auditors' Report does not contain any qualifications. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and, therefore, does not call for any further comment under Section 134 of the Companies Act.

## SECRETARIAL AUDITOR & REPORT

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Mr. T. Chatterjee of Messrs. T. Chatterjee and Associates, Practicing Company Secretaries, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditors' Report is attached as Annexure III and forms a part of this Report. There are no qualifications or observations or remarks in the Secretarial Audit Report.

On the recommendation of the Audit Committee, the Board of Directors of the Company have appointed Messrs. T. Chatterjee and Associates, Practicing Company Secretaries (PCS Registration No. 6935 ) as the Secretarial Auditor of the Company in relation to the financial year 2015-16, in terms of Section 204 of the Companies Act, 2013. The Company has received consent from Messrs. T. Chatterjee and Associates, Practicing Company Secretaries, for their appointment.

## **COST AUDITOR**

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended, the products manufactured by the Company and falling under the specified Central Excise Tariff Act heading, are covered under the ambit of mandatory cost audit from the financial years commencing on or after 1st April 2015. The Audit Committee recommended and the Board of Directors appointed Messrs. D. Radhakrishnan & Co., Cost Accountants, 11, Dover Lane, Kolkata (FRN: 00018) as the Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company falling under the specified Central Excise Tariff Act heading, for the financial year 2015-16. The Company has received consent from Messrs. D. Radhakrishnan & Co. for their appointment.

## **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure VII and forms a part of this Report.

## **ENVIRONMENT**

Your Company remains committed to following a focused approach towards making the environment a better place for our future generations.

Beside using products and services such as contamination control and rebuild initiatives that reduce negative impacts on environment, every year during the World Environment Day, to make the world a greener place to live in, your Company carries out tree plantation activities, 'own a sapling' program for its employees across most of its locations.

In the year under review your Company also took initiative together with WWF-India by supporting a project that will undertake Environment Education to facilitate the Water conservation and Sanitation activities in Underprivileged Girls' School, Garden Reach, Kolkata. The activity will focus on Sustainable use of water and also this will be a component of Health and Hygiene. WWF-India intends to install rainwater harvesting system and solar power operated pump in a girls' school in Garden Reach area to supply water in girls' toilet. This project is expected to benefit 1200 girl students from Class V-XII mostly from underprivileged BPL and OBC families.

## **PARTICULARS OF EMPLOYEES**

The prescribed particulars of Employees required under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure VIII and forms a part of this Report.

## **EXTRACT OF ANNUAL RETURN**

The Extract of the Annual Return in Form No. MGT-9 is attached as Annexure IX and forms a part of this report.



## CODE OF CONDUCT

The Managing Director has given his certificate under Clause 49(II)(E) of the listing agreement with Stock Exchanges regarding compliance with the Code of Conduct of the Company for the year ended 31st March 2015, which is attached as Annexure XI and forms a part of this Report.

## ANNEXURES FORMING A PART OF THIS REPORT OF THE DIRECTORS

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and forms a part of this Report of the Directors:

ANNEXURE	PARTICULARS
I	Report on Corporate Governance
II	Auditors' Certificate on Corporate Governance
III	Secretarial Audit Report
IV	Corporate Social Responsibility (CSR) Policy
V	Corporate Social Responsibility (CSR) Report
VI	Management Discussion and Analysis Report
VII	Prescribed Particulars on Conservation of Energy, Foreign Exchange earnings and outgo, etc.
VIII	Particulars of Employees
IX	Extract of Annual Return
X	Appointment and Remuneration Policy
XI	Managing Director's Certificate under Clause 49(II)(E) of Listing Agreement on compliance of Code of Conduct

## ACKNOWLEDGEMENTS

The Directors place on record their sincere gratitude towards the Customers, Principals, Shareholders, Banks, Financial Institutions and Government Authorities for their continuous co-operation and support to the Company. Although the year under review was very challenging and difficult, the Directors thank its employees for their continued good efforts.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

## ANNEXURE I


**REPORT ON  
CORPORATE  
GOVERNANCE**

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company.

The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices to strengthen investors' trust and ensure a long term partnership that helps in fulfilling a Company's quest for higher growth and profits. Many of such practices were already in place even before they were mandated by adopting honesty, integrity and ethical behavior.

As a good corporate citizen, the Company has established systems to encourage environmental and social initiatives that contribute to organizational sustainability, systematic training, conservation of energy and other scarce resources.

The Company is in full compliance with the requirements of Corporate Governance under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges and in this regard, submits a report on the matters mentioned in the said Clause and also the practices followed by the Company as stated below:

### BOARD OF DIRECTORS

The Board of Directors headed by its Executive Chairman, Mr. Sumit Mazumder consists of 5 (five) other Members out of which 1 (one) Member is a Non-Executive Director, 1 (one) Member is a Nominee Director nominated by Life Insurance Corporation of India (LIC), being an Equity Investor and 3 (three) Members are Non-Executive Independent Directors including a Woman Director.

**Composition, Category, Directorships and Committee Memberships in other Companies as on 31st March 2015.**

The Board of your Company consists of the following Directors:

Name of Directors	Category of Director	DIN	Directorships held in other Indian Public Limited Companies	#Committee Positions held in other Indian Public Limited Companies	
				As Chairman	As Member
*Mr. Sumit Mazumder Chairman and Managing Director	Executive	00116654	2	-	1
Mr. R. L. Gaggar Director	Non-Executive Independent	00322904	9	1	6
@ Mr. S. V. Ramana Rao Director	Nominee Director - LIC	07002758	-	-	-
Mr. G. Swarup Director	Non-Executive Independent	00374298	6	-	2
¥ Dr. T. Mukherjee Director	Non-Executive	00004777	5	-	1
€ Ms. Veena Hingarh Director	Non-Executive Independent	00885567	-	-	-

# Only Audit Committee and Shareholders' Grievance Committee have been considered for this purpose.

\* Appointed as Chairman and Managing Director from 1st June 2014 at the Board Meeting held on 20th May 2014.

@ Appointed as Nominee Director - Life Insurance Corporation of India with effect from 10th September 2014 in place of Mr. K.B. Saha.

¥ Ceased to be an Independent Director with effect from 1st April 2014.

€ Appointed as Non-Executive Independent Director with effect from 26th March 2015 for a term of one year subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting.

**Note:**

1. Mr. A. Mazumdar relinquished his position as the Chairman of the Company and assumed the position of Chairman Emeritus with effect from 1st June 2014.
2. Mr. U. V. Rao, Non-Executive Independent Director passed away on 24th January 2015.

Mr. R. L. Gaggar and Mr. G. Swarup has already served as Independent Directors for more than five years in the Company and has been re-appointed at the 39th Annual General Meeting held on 28th July 2014 for one more term of five years.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and none of the Independent Directors of the Company serve as whole time director in any listed company.

The Company issued letter of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company (weblink <http://www.tilindia.in/corporate/director.php>).

The Nomination & Remuneration Committee lays down the criteria for performance evaluation of independent directors and other directors of the Company. The criteria for performance evaluation covers the areas relevant to their functioning as independent directors or other directors.

A separate meeting of the Independent Directors was held on 26th March 2015, without the attendance of non-independent directors and members of the management. All the Independent Directors attended the said meeting.

The Company has a familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company etc. and the same is attached with their appointment letters available on the website of the Company. A presentation was also made by the Company Secretary before the Board to enlighten them about their roles, responsibilities etc. under the Companies Act, 2013.

The sitting fees paid to non-executive directors is within the limits prescribed under the Companies Act, 2013 for payment of sitting fees without approval of the Central Government and so does not require prior approval of the shareholders in general meeting.

### Code of Conduct

The Company has a Code of Conduct for the Board of Directors and Senior Managers which is also available on the website of the Company viz. [www.tilindia.in](http://www.tilindia.in). A declaration by the Chairman & Managing Director stating that all Board Members and Senior Management Personnel have complied with the Code of Conduct for the Financial Year ended 31st March 2015 forms part of the Annual Report.

### Whistle Blower Policy

The Company has in place a Whistle Blower Policy which is also available on the Company's website (weblink [http://www.tilindia.in/investor/whistle\\_blower\\_policy.php](http://www.tilindia.in/investor/whistle_blower_policy.php)). No personnel have been denied access to the Audit Committee to lodge their grievances.

### Shareholding of Directors and Key Managerial Personnel

Except Mr. Sumit Mazumder, Chairman and Managing Director who holds 86,360 shares in the Company, no other director or key managerial personnel holds any shares in the Company.

### Board Meetings held during the financial year 2014-15.

During the year ended 31st March 2015, 6 (six) meetings of the Board of Directors were held. The Company has held at least one Board Meeting in every three months and the maximum time gap between any such two meetings was less than one hundred and twenty days. The details of the Board meetings are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	5th May 2014	7	7
2.	20th May 2014	7	7
3.	28th July 2014	6	5
4.	25th October 2014	6	6
5.	5th February 2015	5	5
6.	26th March 2015	6	6

### Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) during the year ended 31st March 2015:

Name of Director	No. of Board Meetings		Attendance at the last AGM held on 28th July, 2014
	Held	Attended	
Mr. A. Mazumdar	6	2	No
Mr. Sumit Mazumder	6	6	Yes
Mr. R. L. Gaggar	6	6	Yes
Mr. U. V. Rao	6	3	Yes
Mr. K. B. Saha	6	3	Yes
Mr. G. Swarup	6	5	No
Dr. T. Mukherjee	6	6	Yes
Mr. S. V. Ramana Rao	6	3	No
Ms. Veena Hingarh	6	1	No

Pursuant to the declaration made under Section 149(7) of the Companies Act, 2013, all the Non-Executive Independent Directors meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Résumé and other information of the Directors getting appointed, as required under revised Clause 49(VIII E) of the Listing Agreement, are given in the Notice calling the Annual General Meeting.

## AUDIT COMMITTEE

The existing Audit Committee constituted by the Company on 31st October 2000 has been reconstituted by the Board at its meeting held on 26th March 2015 in accordance with the provisions of Section 177 of the new Companies Act, 2013. The power, role and broad terms of reference of the Audit Committee are as per Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013 and Section 292A of the Companies Act, 1956.

The terms of reference of the Committee, inter alia, includes (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company (ii) review and monitor the Auditors' independence and performance, and effectiveness of audit process (iii) examination of the financial statement and the auditors' report thereon (iv) approval or any subsequent modification of transactions of the company with related parties (v) scrutiny of inter-corporate loans and investments (vi) valuation of undertakings or assets of the company, wherever it is necessary (vii) evaluation of internal financial controls and risk management systems (viii) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee as at 31st March 2015 consists of 3 (three) Non-Executive Independent Directors namely, Mr. G. Swarup (Chairman), Mr. R. L. Gaggar (Member) and Ms. Veena Hingarh (Member), 1 (one) Non-Executive Director namely, Dr. T. Mukherjee (Member) and 1 (one) Nominee Director namely, Mr. S. V. Ramana Rao. All members of the Audit Committee are financially literate, and Ms. Veena Hingarh has related financial management expertise by virtue of her background and vast experience gained over the years. The Chairman & Managing Director, the Chief Financial Officer, the Statutory Auditors and the Internal Auditors are invitees. The Company Secretary, Mr. Sekhar Bhattacharjee, is the Secretary to the Audit Committee.

Mr. U. V. Rao, the then Chairman of the Audit Committee attended the AGM held on 28th July 2014.

- i. During the year ended 31st March 2015 the Audit Committee met 4 (four) times on 20th May 2014, 28th July 2014, 25th October 2014 and 5th February 2015. The maximum gap between any two meetings was less than four months.
- ii. The Annual Financial Statements for the financial year 2014-15 were reviewed by the Audit Committee at its meeting held on 29th May 2015 and were recommended to the Board for adoption.
- iii. The unaudited financial results for each quarter were reviewed and approved by the Audit Committee during the year before recommendation to the Board of Directors for adoption.

Attendance of the Members at the Audit Committee meetings held during the year ended 31st March 2015:

Name	Status	Meetings held	Meetings attended
Mr. U. V. Rao	Chairman up to 24th January 2015	4	2
*Mr. G. Swarup	Chairman from 5th February 2015	4	3
Mr. R. L. Gaggar	Member	4	4
#Mr. K. B. Saha	Member	4	2
@Mr. S. V. Ramana Rao	Member	4	0
Dr. T. Mukherjee	Member	4	4
¥ Ms. Veena Hingarh	Member	4	0

\* Due to the sudden demise of Mr. U.V. Rao, Mr. G. Swarup was appointed as the Chairman of the Audit Committee in the immediate next Board Meeting held on 5th February 2015.

# Mr. K.B. Saha ceased to be a Member of the Audit Committee with cessation of his directorship in the Company.

@ Mr. S.V. Ramana Rao has been inducted as a Member of the Audit Committee at the meeting of the Board of Directors held on 5th February 2015 after the conclusion of the Audit Committee Meeting held on the same day and so has not attended any Audit Committee Meeting held during financial year 2014-15.

¥ Ms. Veena Hingarh has been inducted as a Member of the Audit Committee with effect from 26th March 2015.



## NOMINATION AND REMUNERATION COMMITTEE

The "Nomination and Remuneration Committee" was constituted by the Company on 5th May 2014, but due to sudden demise of Mr. U. V. Rao, who was a Member of the Nomination and Remuneration Committee, the total number of Members reduced below three. Therefore, in order to comply with the requirement of minimum number of members for the Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board & its power) Rules, 2014, the "Nomination and Remuneration Committee" was reconstituted by the Board at its meeting held on 5th February 2015 and Mr. G. Swarup was inducted as a Member of the Committee.

The Committee now comprises of two Non-Executive Independent Directors namely, Mr. R. L. Gaggar (Chairman), and Mr. G. Swarup (Member) and one Non-Executive Director Dr. T. Mukherjee (Member).

The terms of reference of the Committee, inter alia, includes (a) formulation of policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees and recommending the same to the Board (b) identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria as per the policy approved by the Board (c) carry out evaluation of every Director's performance and recommend to the Board his/her appointment and removal based on the performance and (d) ensure that the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks and involves a balance between fixed and incentive pay.

During the year, the Committee met twice on 20th May 2014 and 26th March 2015 and all the Members of the Committee attended the aforesaid meetings.

### Appointment and Remuneration Policy

The Appointment and Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors. The Appointment and Remuneration Policy is attached as Annexure IX to the Directors' Report and is also available on the Company's website (weblink [http://www.tilindia.in/investor/appointment\\_remuneration\\_policy.php](http://www.tilindia.in/investor/appointment_remuneration_policy.php)).

### Remuneration of Directors for the Year Ended 31st March 2015:

( ₹ In Lakhs )

Name of the Director	Salary [including Special Pay/ Incentives]	Perquisites (computed under the Income Tax Act, 1961)	Contribution to Provident and other Funds	Commission	Sitting fees	
					Board Meeting	Committee Meeting
Mr. A. Mazumdar	38.58	2.36	1.21	-	-	-
Mr. Sumit Mazumdar*	-	-	-	-	-	-
Mr. R. L. Gaggar	-	-	-	-	0.90	1.35
Mr. U. V. Rao	-	-	-	-	0.45	0.45
Mr. K. B. Saha	-	-	-	-	0.45	0.30
Mr. G. Swarup	-	-	-	-	0.75	0.90
Dr. T. Mukherjee	-	-	-	-	0.90	1.05
Mr. S. V. Ramana Rao**	-	-	-	-	0.45	0.00
Ms. Veena Hingarh	-	-	-	-	0.15	0.00

\* Draws remuneration from Tractors India Private Limited, a wholly owned subsidiary of TIL Limited w.e.f 1st April 2010

\*\* Payable to LIC as per terms of nomination.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The existing "Shareholders' / Investors' Grievance Committee" constituted by the Company on 31st October 2000 has been reconstituted by the Board at its meeting held on 20th May 2014 in accordance with the provisions of Section 178 of the new Companies Act, 2013 and has been renamed as "Stakeholders Relationship Committee", comprising two Non-Executive Independent Directors namely, Mr. R. L. Gaggar (Chairman), and Mr. G. Swarup (Member) and one Whole-time Director namely, Mr. Sumit Mazumder (Member).

The term of reference of the Committee is to consider and resolve the grievances of stakeholders of the Company.

Mr. Sekhar Bhattacharjee, Company Secretary is the Compliance Officer of the Committee.

The Committee met only once during the year on 26th March 2015 and all the Members of the Committee attended the aforesaid meeting.

During the year ended 31st March 2015 three complaints were received from the Shareholders/Investors and the same were resolved to the satisfaction of the Shareholders.

No pledge has been created over the Equity Shares held by the Promoters as on 31st March 2015.

## **Share Transfer and Certificate Committee**

The Board has delegated the powers of approving transfer of shares to Share Transfer and Certificate Committee. The Committee met 13 (thirteen) times during the year ended 31st March 2015 and approved the transfer of shares lodged with the Company. At the year-end, there was no share pending for transfer.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

In accordance to the provisions of Section 135 of the Companies Act, 2013 read with all other applicable rules, the "Corporate Social Responsibility Committee" has been constituted by the Board on 20th May 2014. The Committee comprises of one Whole-time Director namely, Mr. Sumit Mazumder (Chairman), and one Non-Executive Director namely, Dr. T. Mukherjee (Member) and one Non-Executive Independent Director namely, Mr. R. L. Gaggar (Member).

The terms of reference of the Committee, inter alia, includes (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy, which will indicate the activities to be undertaken by the Company as well as the amount of expenditure to be incurred on the activities referred in the said policy (b) monitors Corporate Social Responsibility Policy from time to time and (c) prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company.

The Committee has met once on 26th March 2015 during the year. All the Members of the Committee were present at the Meeting.

## **RISK MANAGEMENT POLICY**

The Company has in place mechanisms to inform the Board Members about the risk assessment and minimisation procedures and periodical review by the Board is being done to ensure that management controls risk through means of a properly defined framework.

## **SUBSIDIARY COMPANIES**

During the year under review, Myanmar Tractors Limited (MTL), a step down subsidiary of the Company was hived off from the Group. Presently, the Company has three subsidiary companies viz. Tractors India Private Limited (TIPL), TIL Overseas Pte. Ltd. (TILO) and Tractors Nepal Private Limited (TNPL) respectively.

Mr. R.L. Gaggar and Ms. Veena Hingarh, Non-Executive Independent Directors of the Company are also on the Board of Directors of Tractors India Private Limited (TIPL), a wholly owned non-listed Indian subsidiary of the Company.

The minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company. The Audit Committee of the Company also reviews the financial statements of the subsidiary companies.

The Company has in place a Policy for determining "Material Subsidiaries" which is also available on the Company's website (weblink [http://www.tilindia.in/investor/material\\_subsidary.php](http://www.tilindia.in/investor/material_subsidary.php)).

## GENERAL BODY MEETINGS

### Location and time of last three Annual General Meetings (AGMs):

Financial Year (31st March)	Date	Time	Location
2011-2012	31.07.2012	10.00 a.m.	1, Taratolla Road, Garden Reach, Kolkata 700 024
2012-2013	30.07.2013	10.00 a.m.	1, Taratolla Road, Garden Reach, Kolkata 700 024
2013-2014	28.07.2014	10.00 a.m.	1, Taratolla Road, Garden Reach, Kolkata 700 024

### Special Resolutions passed at the last three AGMs:

Financial Year	Item
2011-2012	Nil
2012-2013	Payment of Commission to the Non-Executive Independent Directors
2013-2014	1. Appointment of Mr. S. Mazumder as Chairman & Managing Director of the Company. 2. Ratification of Borrowing Powers as per Companies Act, 2013.

### Postal Ballot

No special resolution was passed through Postal Ballot during the year.

None of the businesses proposed to be transacted require special resolution through Postal Ballot.

### Location and time of last Extraordinary General Meeting (EGM):

Financial Year (31st March)	Date	Time	Location
2007-2008	28.11.2007	10.00 a.m.	1, Taratolla Road, Garden Reach, Kolkata 700 024

### Special Resolutions passed at the last Extraordinary General Meeting (EGM):

No Extraordinary General Meeting was held during the year ended 31st March 2015.

## DISCLOSURES

- A statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were at an arm's length basis.
- The Company did not have any materially significant related party transactions, which may have potential conflict with the interest of the Company.
- While preparing the financial statements during the year under review, no accounting treatment which was different from the prescribed Accounting Standard was followed.
- The Company has complied with the requirements of the regulatory authorities on capital markets and no penalties/strictures have been imposed against it, by Stock Exchanges or SEBI or any Statutory Authority, in the last three years.
- All mandatory requirements and all non-mandatory requirements have been appropriately complied with except that the Company does not send the half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders.
- There were no material financial and commercial transactions where senior management of the Company had personal interest that may have a potential conflict with the interest of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions which is available on the website of the Company (weblink [http://www.tilindia.in/investor/related\\_party.php](http://www.tilindia.in/investor/related_party.php)) and during the year there were no material transactions with related parties.

## MEANS OF COMMUNICATION

The Company had arranged to publish the quarterly results in the newspapers immediately after they were taken on record by the Board of Directors and had the same displayed on its website [www.tilindia.in](http://www.tilindia.in). The Company did not make any presentation to Institutional Investors or Analysts. The Company's financial results are normally published in prominent business dailies in English viz. The Financial Express/Business Standard and a regional newspaper published in Bengali – Aajkal. Pursuant to amended Clause 52 of the Listing Agreement with the Stock Exchanges, the Company is also posting financial results and other shareholders' related information in the Corporate Filing and Dissemination System (CFDS), viz., [www.corpfiling.co.in](http://www.corpfiling.co.in).

The Management Discussion and Analysis Report forms part of the Directors' Report.

## GENERAL SHAREHOLDER INFORMATION

**AGM: Date, time and venue**

Forthcoming Annual General Meeting will be held on Friday, 7th August 2015 at 10.00 AM at the Company's Registered Office at 1, Taratolla Road, Garden Reach, Kolkata 700 024.

**Financial Calendar (Tentative)**

Financial Reporting for the year ended 31st March 2015	May 2015
Mailing of Annual Reports for 2014-2015	June 2015
Financial Reporting for the quarter ending 30th June 2015	August 2015
Limited Review Report for the quarter ending 30th June 2015	August 2015
Financial Reporting for the quarter /half year ending 30th September 2015	November 2015
Limited Review Report for the half year ending 30th September 2015	November 2015
Financial Reporting for the quarter ending 31st December 2015	February 2016
Limited Review Report for quarter ending 31st December 2015	February 2016
Financial Reporting for the year ending 31st March 2016	May 2016

**Date of Book closure**

The Share Transfer Books and Register of Members will remain closed from 1st August 2015 to 8th August 2015, both days inclusive.

**Listing on Stock Exchanges**

Name of the Stock Exchange	Address	Code
The Calcutta Stock Exchange Association Ltd.	7, Lyons Range, Kolkata-700 001	30148
Bombay Stock Exchange Ltd.	Phiroze Jeejeeboy Tower, Dalal Street, Fort, Mumbai-400 001	505196
National Stock Exchange of India Ltd.	Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051	TIL-EQ

Listing fees for the year 2015-16 have been paid to the Stock Exchanges.

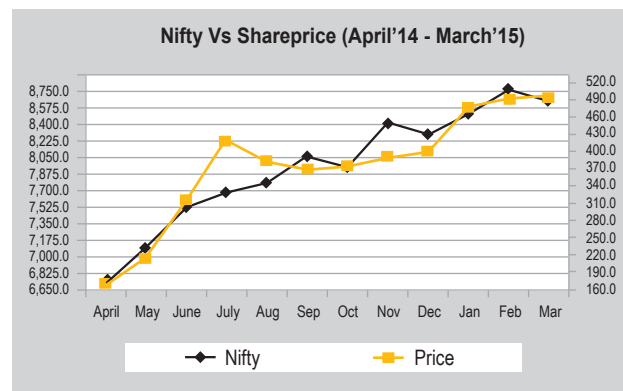
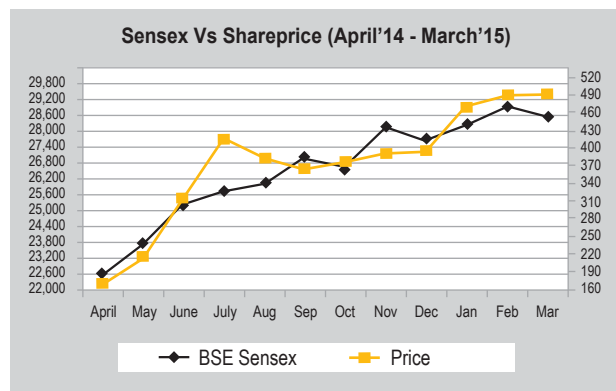
The International Security Identification Number (ISIN) is INE806C01018.

## Market Price Data

Months	National Stock Exchange*		Bombay Stock Exchange*	
	High	Low	High	Low
April 2014	184.00	153.00	184.00	153.10
May 2014	314.90	163.65	315.15	165.10
June 2014	390.65	266.75	398.00	268.10
July 2014	451.50	382.00	451.50	383.00
August 2014	437.50	343.30	439.00	340.25
September 2014	425.00	323.30	424.75	326.00
October 2014	408.80	344.00	410.00	345.00
November 2014	429.00	340.00	428.00	347.90
December 2014	422.00	377.50	421.50	381.10
January 2015	584.00	372.05	582.60	375.10
February 2015	557.40	412.95	557.40	435.00
March 2015	542.00	426.55	541.90	437.50

\* Where Equity Shares of the Company are regularly traded.

## Stock Performance of TIL Limited vs. BSE and NSE Indices:



## Registrar and Share Transfer Agents

The share management work, both physical and demat, is being handled by the Registrar and Share Transfer Agent of the Company whose name and address are given below:

C.B. Management Services (P) Ltd.,

P-22, Bondel Road, Kolkata 700 019

Telephone Numbers : 033 4011 6700/2280/6692/3643

Fax Number : 033 4011 6739

E-Mail : rta@cbmsl.com

## Share Transfer System

Share Transfer requests, valid and complete in all respects are normally processed within 15 days from the date of receipt. The Board has delegated the powers to Share Transfer & Certificate Committee for expediting share transfer. Valid requests for demat/remat of shares are completed generally within 10 days from the date of demat/remat request.



**Shareholding Pattern as on 31st March 2015**

Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A+B)
Shareholding of Promoter and Promoter Group	22	5,646,798	56.30
Mutual Funds/UTI	7	234,125	2.32
Financial Institutions/Banks	10	4,101	0.04
Insurance Companies	4	1,403,385	13.99
Bodies Corporate	284	529,468	5.28
Non Resident Individuals	183	65,202	0.66
General Public	7,291	2,088,818	20.83
Trust	3	2,430	0.02
Clearing Member	64	46,835	0.47
Foreign National	1	9,103	0.09
<b>TOTAL</b>	<b>7,869</b>	<b>10,030,265</b>	<b>100.00</b>

**Distribution of shareholding as on 31st March 2015**

Range / Category (Shares)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares to total shares
1-500	7,038	89.44	677,374	6.75
501-1000	384	4.88	298,913	2.98
1001-2000	213	2.71	329,124	3.28
2001-3000	72	0.91	182,979	1.82
3001-4000	36	0.46	129,801	1.29
4001-5000	26	0.33	120,640	1.20
5001-10000	47	0.60	343,993	3.43
10001 -50000	29	0.37	511,092	5.10
50001-100000	8	0.10	552,971	5.51
100001& above	16	0.20	6,883,378	68.63
<b>Total</b>	<b>7,869</b>	<b>100.00</b>	<b>10,030,265</b>	<b>100.00</b>

**Dematerialisation of shares and liquidity**

The Company has entered into agreements with NSDL and CDSL whereby shareholders have an option to dematerialize the shares with either of the Depositories.

**Status as on 31st March 2015:**

Particulars	No. of shares	No. of shareholders	% of Capital
NSDL	8,970,469	4,560	89.43
CDSL	782,153	1,980	7.80
Physical	277,643	1,329	2.77
<b>Total</b>	<b>10,030,265</b>	<b>7,869</b>	<b>100.00</b>

**Plant Locations**

- Kamarhatty – 517, B.T. Road, Kolkata 700 058, West Bengal.  
 Sahibabad – Plot No.11, Site-4, Sahibabad Industrial Area, Ghaziabad 201 010, Uttar Pradesh.  
 Kharagpur – Changual & Vidyasagar Industrial Park, District: Paschim Medinipore, West Bengal.

**Address for correspondence**

Registered Office:

1, Taratolla Road, Garden Reach, Kolkata 700 024

Phone Nos.: (033) 2469-3732/36 (5 lines)

Fax Nos.: (033) 2469-2143/2469-3731

Email: [secretarial.department@tilindia.com](mailto:secretarial.department@tilindia.com)

Website: [www.tilindia.in](http://www.tilindia.in)

**CEO and CFO Certification**

As per Clause 49(IX) of the Listing Agreement, the Chairman & Managing Director and the CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the purpose of financial reporting.

**NON-MANDATORY REQUIREMENTS****a) Office of Non-Executive Chairman and tenure of office of Non-Executive Directors**

The Chairman of the Company being a Whole-time Director, the requirement relating to maintenance of Non-Executive Chairman's office is not applicable.

**b) Shareholder's Rights – Furnishing of Half yearly Results**

As the Company's Quarterly Results are published in newspapers and also posted on its Website viz. [www.tilindia.in](http://www.tilindia.in) and the corporate filing and dissemination system (CFDS), viz., [www.corpfilling.co.in](http://www.corpfilling.co.in), the same are not mailed to the shareholders.

**c) Audit Qualifications**

The Company does not have any audit qualification pertaining to the financial statements, for the period under review.

**d) Separate posts of Chairman and CEO**

The Managing Director of the Company and the CEO are not the same person. Mr. Sumit Mazumder is the Chairman and Managing Director of the Company and Mr. Somnath Bhattacharjee is the CEO of the Company.

**e) Reporting of Internal Auditor**

The Internal Audit Department of the Company conducts internal audit on a pan India basis. The internal audit reports are addressed to the Board of Directors of the Company. However, the said reports are reviewed by the Audit Committee and thereafter recommended to the Board for approval.

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges on Code of Corporate Governance, certificate from the Statutory Auditors regarding compliance of Corporate Governance by the Company forms a part of the Directors' Report. The Auditors' certificate will be sent to the Stock Exchanges where the Company's shares are listed.

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman & Managing Director

## ANNEXURE II

**AUDITORS' CERTIFICATE ON  
CORPORATE GOVERNANCE**

CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES IN INDIA

To,  
The Members of TIL Limited

We have examined the compliance of conditions of Corporate Governance by TIL Limited, for the year ended on 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## ANNEXURE III

# SECRETARIAL AUDIT REPORT

**FORM MR-3**

(For the period 01-04-2014 to 31-03-2015)

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

To,  
The Members of TIL Limited

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31st March 2015 according to the provisions of :
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the company :-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase scheme) Guidelines, 1999 and
    - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

The laws which are specifically applicable to the industry to which the Company belongs, as identified by the management are verified, that is to say:

- a. Factories Act, 1948
- b. Foreign Exchange Management Act, 1999
- c. Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Ltd. and CSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Listing Agreements etc mentioned above to the extend applicable.

2. We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d. The Company has obtained all necessary approvals under the various provisions of the Act; and
- e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement, Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
- f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

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

For T. Chatterjee & Associates

CS. Tarun Chatterjee

Membership No.: 17195

Certificate of Practice No: 6935

Kolkata  
25th May 2015

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



## Annexure A

To,  
The Members of TIL Limited

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For T. Chatterjee & Associates  
CS. Tarun Chatterjee  
Membership No.: 17195  
Certificate of Practice No: 6935

Kolkata  
25th May 2015

## ANNEXURE IV

**CORPORATE  
SOCIAL  
RESPONSIBILITY  
(CSR) POLICY****PHILOSOPHY**

India, an increasingly important player in the emerging global scenario is still a home to the largest number of people living in absolute poverty and the largest number of undernourished children. With illiteracy remaining a major hurdle, growing population coupled with economic development and increasing urbanization is also creating problem of environment, public health, food, security and infrastructure. The Corporate Social Responsibility (CSR) was introduced in India to address these concerns. While there may be no single universally accepted definition of CSR, each definition that currently exists underpins the impact that businesses have on society at large and the societal expectations of them. Quoting the definition from the World Bank Group, “Corporate Social Responsibility is the commitment of businesses to contribute to sustainable economic development by working with employees, their families, the local community and society at large, to improve their lives in ways that are good for business and for development.”

**PREFACE**

Corporate Social Responsibility is not new to TIL and is an integral part of TIL’s Corporate Vision. The Company is committed to being a good corporate citizen. TIL believes that an organization cannot be sustainable over long term if it doesn’t accept its responsibilities towards society and environment. CSR at TIL is considered as an investment rather than an expense and goes beyond mere compliance or ethical conduct.

TIL is committed in its responsibility towards the community, society and environment. Whether it is caring for the safety of our fellow employees, improving the communities in which we live and work, or sustaining the environment we all share, TIL is continuously engaged in good corporate citizenship. TIL believes that a responsible approach to developing relationships among the communities it serves is an important part of delivering business success.

Acting responsibly while conducting business plays a key part in winning the trust of our stakeholders and building a successful and sustainable business in the long term. The stakeholders include our customers, employees, investors, suppliers, the community

and the environment. TIL remains committed to be transparent and honest in communicating its CSR strategies, performance and governance to its stakeholders.

## OBJECTIVE

The objective of this policy is to provide the basic standards and opportunities relating to the conduct of Corporate Social Responsibility (CSR) by TIL Limited. Our Corporate Social Responsibility Policy conforms to the Corporate Social Responsibility Guidelines spelt out by the Ministry of Corporate Affairs, Government of India.

## MANAGEMENT

A Sub-Committee of the Board named as "Corporate Social Responsibility Committee" has been constituted by the Board for undertaking various welfare measures as specified under Schedule VII to the Companies Act, 2013.

The Sub-Committee has Mr. Sumit Mazumder as Chairman and Dr. T. Mukherjee & Mr. R. L. Gaggas as its Members.

The terms of reference of the Sub Committee as prescribed under the Act and the Rules made thereunder include the following:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which will indicate the activities to be undertaken by the Company as well as the amount of expenditure to be incurred on the activities referred in the said policy
- (b) to monitor Corporate Social Responsibility Policy from time to time
- (c) to prepare a transparent monitoring mechanism for ensuring implementation of the projects/programs/activities proposed to be undertaken by the Company.

## IDENTIFICATION & IMPLEMENTATION

The CSR Committee shall identify CSR projects in a participatory manner, in consultation with the community and NGOs it works with. Depending upon the project need, TIL shall form partnerships with the Government, Chambers of Commerce, district authorities, the village panchayats, NGOs and other like-minded stakeholders. This would help widening TIL's reach and leverage upon the collective expertise, and experience of such partnerships.

Each project and initiative TIL undertakes shall be monitored closely by the CSR Committee until completion and report generation. This shall be further evaluated for eligibility and scope for sustaining as on-going project.

According to the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of a Company may decide to undertake CSR activities approved by the CSR Committee, through a registered trust established by the Company. The Company, therefore, has decided to carry out all its CSR activities through Company's trust named TIL Welfare Trust. All budgets allocated for CSR activities in TIL shall be implemented through TIL Welfare Trust.

## TIL WELFARE TRUST

TIL Welfare Trust initiated by Mr. Avijit Mazumder, Chairman Emeritus, TIL Limited, is a registered Trust and was formed in 1994. The Trust is exempted u/s 80G (5) (vi) of the Income Tax Act, 1961. All CSR activities of the Company are carried out by TIL Welfare Trust.

Main objectives of the Trust aligned with the overall CSR strategy of the Company, are -

- To provide financial, educational and medical relief to the poor, underprivileged and BPL section of the society.
- To establish, maintain and grant aid or other financial assistance to homes, orphanages or establishments for relief and/or to give help to the poor and underprivileged.
- To provide relief to poor, education, medical and advancement of objects of general public utility and all such objects which may be recognized as charitable objects of public nature under the provision of the Income Tax Act, 1961.
- To encourage further academic pursuit of children, the Trust awards scholarships for graduate and post graduate education in India and abroad in technical/medical institutions or universities and management education. The duration of each scholarship is based on the course selected and subject to maximum period of 4 years.

- To grant relief during natural and national calamities, such as earthquake, flood, famine, fire, pestilence and to give donations to establishments or persons doing such relief work.
- To render assistance and grand aid to public charitable / welfare trusts or institutions, Chief Minister / Prime Minister Relief Funds for general public welfare
- To do any other act for advancement of general public utility, without distinction of caste, color and creed.

## KEY FOCUS AREAS

Education is the most significant indicator of social progress, which also plays a decisive role for a society to achieve self-sustainable and equal development. With an increasing global realization of how business community can (and should) contribute to social objectives, education deserves a higher level of corporate involvement than status quo. In short, educational issues are essential for human progress, societal development, and the creation of a healthy economic environment. TIL aims to reach out to the underprivileged and backward sections children in the communities we work in as well as partner with NGOs who work in the field of education.

Being a good corporate citizen, TIL is committed to behave ethically and contribute in improving the quality of life and social well-being of the local community as well as the society at large. TIL endeavors to render quality health care facilities to people living below poverty line. Also, the Company always respond to emergency situations and disasters by providing timely help to affected victims and their families.

TIL realizes the need for empowerment of Women & Girl child. Women since ages have silently witnessed the significant changes in society whether its country's freedom, agricultural development, modernization, liberalization, privatization & globalization but one thing which has not changed satisfactorily is gender inequality in Indian society. Women related issues need important attention from Government, society and especially from corporate sector. Corporate Social Responsibility towards women empowerment can become ray of hope in many ways right from changing attitude towards women in the society to making women independent financially, physically and socially and enabling them to stand on their feet.

TIL endeavors to take a proactive role in minimizing harm to the natural resources it shares, promote products and services that are compliant by environmental standards and propagate safe processes across our operations and processes. Our environment policy steers the whole organization to minimize our ecological footprint and mitigate the impact of our operations.

## GOVERNANCE

1. Every year, the CSR Committee shall place for the Board's approval, a CSR Policy delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board shall consider and approve the CSR Policy with any modification that may deem necessary.
2. The CSR Committee shall assign the task of implementation of the CSR Policy within specified budgets and timeframes to TIL Welfare Trust.
3. TIL Welfare Trust shall carry out such CSR programmes as determined by the Board within specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the Committee may direct.
4. At the end of every financial year, the CSR Committee shall submit its report to the Board.

## INFORMATION DISSEMINATION

The Company's engagement in this domain is disseminated on its website, annual reports, and its house journals and through the media.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

## ANNEXURE V

**CORPORATE SOCIAL  
RESPONSIBILITY (CSR)  
REPORT**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

Corporate Social Responsibility is not new to your Company and is an integral part of TIL's Corporate Vision. The Company is committed to being a good corporate citizen. Your Company believes that an organization cannot be sustainable over long term if it doesn't accept its responsibilities towards society and environment. CSR at TIL is considered as an investment rather than an expense and goes beyond mere compliance or ethical conduct.

A Corporate Social Responsibility Policy was approved by the Board of Directors and adopted by the Company on 25th October 2014. The said policy may be referred to, at the Company's official website at the web link, [http://www.tilindia.in/investor/csr\\_policy.php](http://www.tilindia.in/investor/csr_policy.php)

The objective of the policy is to provide the basic standards and opportunities relating to the conduct of Corporate Social Responsibility (CSR) by TIL Limited. Our Corporate Social Responsibility Policy conforms to the Corporate Social Responsibility Guidelines spelt out by the Ministry of Corporate Affairs, Government of India with Education, Health Care, Empowerment of Women & Girl Child and Environment as its key focus areas.

Your Company has decided to carry out all its CSR activities through Company's trust named TIL Welfare Trust. All budgets allocated for CSR activities in TIL are carried out by TIL Welfare Trust.

A Sub-Committee of the Board of Directors named as "Corporate Social Responsibility Committee" has been constituted by the Board for undertaking various welfare measures as specified in the policy and under Schedule VII to the Companies Act, 2013.

The Sub-Committee has Mr. Sumit Mazumder as Chairman and Dr. T. Mukherjee & Mr. R. L. Gaggar as its Members.

The average net profit of the Company for last three financial years is ₹ 22.06 Crs.

Your Company was required to spend an amount of ₹ 4,413,000/- (Rupees Forty Four Lakhs and Thirteen Thousand only) for the Financial Year 2014-15 (two per cent of the average net profits made during the three immediately preceding financial years).

Your Company has spent the entire amount of ₹ 44.13 Lakhs for CSR activities during the Financial Year 2014-15.

**Manner in which the amount spent during the financial year is detailed below:**

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) The State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹)	Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency* (₹)
1.	Food, Shelter & Education to under-privileged children	1. Promotion of Education 2. Health care	Antpur, Hooghly		1. 70,000x12= 840,000 (monthly) 2. 500,000 (corpus donation) 3. 40,000x3 = 120,000	1,460,000	Ram Krishna Sarada Ashram
2.	Rehabilitation of speech & hearing handicapped youths by providing them vocational training	1. Employment enhancing vocational skills	Shibpur, Howrah			15,000	Utsav Children Cultural Group
3.	Aids and appliances and medicines for children with disabilities	1. Eradicating extreme hunger & poverty 2. Promotion of education 3. Health care	Local			300,000	Tomorrow's Foundation
4.	Organising 'Puja Parikrama' for 150 needy children who were also served with food & new clothes	1. Promotion of Culture 2. Reducing inequalities faced by socially and economically backward sections.	Local			100,000	Amader Padakhep
5.	Relief and Aids to Jammu & Kashmir Flood Victims	1. Contribution to fund set up for relief and welfare of economically backward	Jammu & Kashmir			1,000,000	CII Foundation
6.	Contributing for Musical Event	1. Promotion of Art & Culture	New Delhi			100,000	Le Rhythm
7.	Mobile Medical Units (MMUs)	1. Health Care	Fatehpur & Panihati			300,000	HelpAge India



**Manner in which the amount spent during the financial year is detailed below (Contd.):**

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) The State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency* (₹)
8.	Coaching Center for Underprivileged children	1. Promotion of Education 2. Reducing inequalities faced by socially and economically backward sections	Dhapa			133,000	Child In Need Institute (CINI)
9.	Medical treatment to old and orphan	1. Health Care	Local			5,000	Manab Kalyan Yogashram
10.	Installation of rainwater harvesting system and solar power operated pumps in school	1. Health Care 2. Ensuring environment sustainability	Local			350,000	World Wide Fund For Nature – India
11.	Charity for underprivileged people	Reducing inequalities faced by socially and economically backward sections	Local			50,000	Times & Talent Club
12.	Seminar organized for Public Awareness on Indo-China border dispute	1. Promotion of Education	Itanagar, Arunachal			600,000	CENERS-K
	<b>Total</b>					<b>4,413,000</b>	

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with Schedule VII to the said Act, the Corporate Social Responsibility Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director



## MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis (MDA) of your Company for the year under review comes at a time when the country's economic prospects are looking relatively better than that of the last two years, despite a sluggish global economy.

The macroeconomic headwinds, which had constrained India's growth momentum during the last two fiscal years, have abated to a large extent. Inflation has come down to below the Reserve Bank of India (RBI) targets. Fiscal deficit - at 4% of GDP - has bettered the target set for FY 2014-15. And the current account deficit has so far appeared manageable. Capital goods grew by an impressive 8.8% in February 2015 and the manufacturing sector by 5%. Mining activity, after the recent coal block auctions and the Coal Bill, is likely to take off soon. Economists and market analysts are hopeful that the worst may indeed be behind us. However, the revival of industrial activity is still somewhat ambiguous - with the Index of Industrial Production (IIP) having peaked to a 3-month high of 5% in February 2015 before dropping again to 2.1% in March. Despite the air of positivity, the external scenario also remains uncertain.

The global economy is yet to recover from a protracted slowdown and export demand continues to be muted - a fact that is further worsened by a backsliding China, the world's largest exporter and second largest importer of goods. As the Chinese economy slows down significantly, the rest of the world including India is beginning to feel its aftershocks. Also distressing is the fact that market indices and a large section of Indian businesses are finding it increasingly challenging as they struggle with persistently low earnings and subdued domestic demand. Consequently, the euphoria about an imminent economic upswing that gripped the nation last year has now been replaced by cautious optimism.

In the midst of such mixed tidings, the best that a country can do is renew focus on its fundamentals - by strengthening infrastructure and systems - to such an extent that when the tides turn, the nation is able to capitalize on the new opportunities. And that is what is happening in our country today. With a slew of progressive legislations and renewed focus on manufacturing, as envisioned in the Make in India campaign, the Government is working overtime to create the right environment for businesses to flourish in a sustainable manner.

Stalled projects are being encouraged to restart operations, to boost investor sentiments and eventually trigger a revival of the investment cycle. Although the RBI recently downgraded its GDP forecast for FY 2015-16 to 7.6%, multilateral agencies - like the World Bank, IMF and ADB - have acknowledged our Government's commitment to reforms and projected India as the only BRICS nation where growth is likely to accelerate to 8% or more in the current fiscal year.

Our Government has adopted a multi-pronged strategy, focusing on manufacturing, skill development, agriculture and infrastructure. Given the relatively favorable domestic macroeconomic parameters, economic recovery may not be too far away, if the weather does not come in the way of a bountiful agricultural output. But, meanwhile, the steps initiated by the Government, to ease regulations and stimulate business and entrepreneurial activities, seem to have yielded some results. The economy has received a mild boost during 2014-15 and is expected to sustain the momentum over the medium term.

## BUSINESS PERFORMANCE

### Material Handling Solutions (MHS) and Equipment & Project Solutions (EPS)

Material Handling Solutions division of your Company posted a revenue of ₹ 250.5 Crs. during the FY 2014-15 vis-à-vis ₹ 257.5 Crs. in the FY 2013-14; registering a decline of 2.7% in FY 2014-15 due to persistent weakness in market demand. The various reforms being initiated by the Government - to liberalize the policy framework, improve the ease of doing business and revive investment and demand cycles - may need yet more time to have any significant on-ground effect.

In the Equipment and Project Solutions business, where your Company has made substantial investment during the last 3 years, a revenue of ₹ 98.1 Crs. was posted in FY 2014-15, vis-à-vis ₹ 48.3 Crs. in FY 2013-14, registering more than 100% growth. EPS still fell short of the plan, owing to continued sluggish activity in the roads and infrastructure sectors; here projects are still stuck in disputes/arbitration cases, liquidity crisis and land acquisition issues.

Nevertheless, in the midst of the economic sluggishness, your Company did achieve a few noteworthy accomplishments:

#### Material Handling Solutions

- PIXEF, which was launched as a niche product in the 15 ton Mobile Carry Deck Crane segment, has been well accepted by the target customers.
- Your Company supplied and commissioned 20 units of 40T Rough Terrain Crane - RT 740 to Reliance Industries Limited for their refinery expansion project, taking the total supply count to 50 units over 2 years.
- The division also maintained its market leadership of Rough Terrain Cranes at 81% market share.
- Sales volume of Cranes was not significantly impacted - it was down by 1 unit to 118 units in 2014-15, from 119 units in 2013-14.
- Rolled out the 100th ReachStacker from its Changual factory in Kharagpur. The Hyster-TIL ReachStacker is manufactured under license agreement with Nacco Materials Handling Group Inc.
- Your Company maintained market leadership position in ReachStacker segment with 52% market share.
- Your Company continued to export ReachStackers and Boom structures to the Asia Pacific Region and Europe respectively; export revenue was US\$ 1.7 Million.

#### Equipment & Project Solutions

- Your Company sold its first indigenously manufactured Wheeled Crushing & Screening Plant.
- Your Company successfully consolidated its position in Track Mounted Crushing & Screening Plants in key road and infrastructure projects in the Eastern part of the country.
- Launched indigenously manufactured Vertical Shaft Impact Crusher.

### **Tractors India Pvt Ltd (TIPL)**

TIPL, a 100% subsidiary of TIL, is the authorized Cat® dealer for North and East of India and Bhutan for the entire range of Cat equipment for construction and mining, along with Cat engines, generator sets and power systems solutions. TIPL also has associations with SEM for medium Wheel Loader and SITECH for GPS based connected site solutions.

For the year under review, revenue stood at ₹ 1147.24 Crs. vis-à-vis ₹ 1014.44Crs. in the FY 2013-14 registering a growth of over 13%. The Construction & Mining division accounted for 71.48% of total revenue and Power Systems Solutions, now renamed as Energy & Transport division, contributed to 21.1%. The Bucyrus portfolio under mining business accounted for the remaining 7.42% of TIPL's revenue.

During the year under review, TIPL managed and maintained focus on its retail strategy and simultaneously consolidated its position with major accounts by receiving large orders for projects in mining and infrastructure. A concerted focus on the e-biz initiative, coupled with innovative BTL activities, like the Van Campaign and Service Camps, further helped to increase the reach and coverage of your Company. Some noteworthy achievements are:-

- Secured prestigious orders for Cat Excavators, Motor Graders, Backhoe and Wheel Loaders from key customers, PNC (viz., 30 Machines), AFCONS (viz., 11 Machines) and others engaged in the Greenfield project to build a 308-km 6-lane expressway between Agra and Lucknow.
- Won opportunity to partner Tata-Aldesa in building the Eastern Freight Corridor by deploying its rental fleet of Cat Motor Graders and Excavators.
- Received orders from other major accounts viz Dilip Buildcon Limited, Oriental Structural Engineers Private Limited, Sainik Mining and Allied Services Limited, BGR Mining and Infra Pvt Ltd for their various projects.
- The year under review also saw TIPL strengthening its position in cement segment by getting prestigious break-through order for Cat Off-highway Trucks and Dozers from Aditya Cement, Birla Corporation and Shiddhivinayak Cement for their units in Rajasthan.
- Specially packaged Customer Support Agreements (CSA) for service and parts business resulted in substantial growth in number of CSAs from 2042 in 2014 to 2953 in March 2015.
- Ramped up operations of service camps for improved customer value survey, resulting in better conversions across focus states of Bihar, UP and Odisha.
- With increasing mining equipment population and maintenance contract projects, Asset Management Tools (AMT) software was installed and integrated with the existing SAP platform. AMT will help in monitoring equipment performance, reduce cost of maintenance, spares inventory, dynamic cost budgeting and creating optimum selling proposition for maintenance contracts.

### **Mining Business**

Subsequent to the integration of Caterpillar's expanded mining product line (erstwhile Bucyrus mining products) with TIPL in 2013-14, the latter went on to break new grounds in surface and underground mining. TIPL successfully commissioned Room & Pillar technology and Cat Continuous Miners at the Jhanjra Underground project of Eastern Coalfields Limited (ECL). Simultaneously, it also consolidated its position with major accounts. Some of the notable accomplishments are :

#### ***Underground Mining***

- Successfully commissioned Cat Continuous Miner at the Jhanjra project of ECL and achieved some major break-throughs in terms of production and adherence to safety standards, viz.
  - Record production of 74,505 tonnes of coal in December 2014, creating a new milestone for the highest single month production from an Indian coal mine in development.
  - Highest single day production of 3,850 tonnes was also achieved in the same month.
  - Entire production target of 440,000 tonnes for the first Annual Production Plan (APP) was achieved in 218 days flat, as against 305 targeted working days.
  - The TIPL team also achieved a 100% safety record, i.e. ZERO incidents and ZERO lost time injury, by rigorously implementing all stipulated safety measures.

- Received a break-through order for Cat Hard Rock underground mining equipment in India. The order is for two units of 30T capacity Underground Trucks, Model AD30, from Maheshwari Mining, along with a separate order for 5 year Maintenance and Repair Contracts (MARC) for these machines.

### **Surface Mining**

- Secured order for 12 units of Cat 777D Off-Highway Trucks (OHT) from Vedanta, Africa, for Skorpion Zinc mines.
- Won breakthrough order for 2 units of Cat 773E OHT and 2 units of 988H Loader from NALCO.
- Secured order for 2 units Cat 770 and 7 units for Cat 773E Dumpers from Ultratech Aditya Cement.

### **Energy & Transport Division**

The Energy & Transport Division (formerly, Power Systems Solutions), which consists of Electric Power, OEM, Petro and Gas, sold 218 units during the year under review. Despite a lower top line with respect to the last fiscal year, there have been some positive accomplishments in the year under review.

#### **Electric Power and OEM**

- Executed 5 units of 1500 kVA Diesel Generator Sets (6 MW) power plant to United Cement, Nepal.
- Supplied 2 units of 2000 kVA Diesel Generator Sets to Ramakrishna Forging, Jamshedpur.
- Received a prestigious order for 2 units of 2000 kVA Diesel Generator Sets from Asian Paints.
- Supplied 4 units of 1010 kVA Diesel Generator Sets to a project at Delhi, belonging to the Seven Seas Hotels.
- Supplied 8 units of 1010 kVA Diesel Generator Sets to various plants of Allana Industries.

#### **Oil and Gas**

- Supplied 3 units of 1.5 MW crude-fired Diesel Generator Sets sourced from CATMAK Germany to OIL India Limited. This is the first deployment of CATMAK equipment through a Cat dealer in the entire Asia Pacific region.
- Supplied 10 units of Cat C11 Engines to OIL India, replacing the existing Cummins engines.

#### **Parts & Services**

- TIPL's overall parts sales in 2014-15 stood at Rs. 379.69 Crs. vis-à-vis Rs. 315.98 Crs. in 2013-14 registering an increase of 20%.
- Under the strategy of 'Service as a Business', services revenue went up by almost 80% to ₹ 131.54 Crs. in FY 2014-15 from ₹ 74 Crs. in FY 2013-14. TIPL has started implementing Service Excellence programs, with a four-year implementation strategy calendar to take the dealership service delivery to world class levels by the year 2018.

## **OPPORTUNITIES AND THREATS**

The Material Handling Solutions (MHS) and Equipment & Project Solutions (EPS) divisions of your Company continue to focus on various strategies and initiatives to overcome challenges. These include, consolidation of the 15-tonne Pick-and-Carry crane in the targeted market segment, and export of cranes and components from the new facility at Kharagpur. Forward strategy is expected to capitalize largely on the capabilities of the MHS design team, which was accredited last year with the India Design Mark (for PIXEF) for achieving excellence in aesthetics and functionality.

Given the Government's definitive focus on the coal sector - with state-run miner Coal India Limited having adopted an aggressive target to double its production to 900 million tons by 2020, new opportunities are expected to open up in the mining equipment industry. Furthermore, the Government has plans to step up output from underground mines by infusion of modern technology. This spells good news for your Company, with TIPL having already broken new grounds in its maiden foray into underground mining at the Jhanjra project of Eastern Coalfields Limited.

In TIPL's Energy & Transport Division, gas-powered power-plants in the North East present a significant opportunity to expand market reach. And so do the locomotives and defence sectors, with new applications for OEM engines. New products from Caterpillar are expected to help bridge the gap in the retail product range and enable the division to take on competition head on.



## RISKS AND CONCERNS

On the external side, the slowdown in the Chinese economy is responsible for a severe oversupply in the global iron ore market, which is driving huge quantities of cheap and low-grade iron ore into the Indian market and hurting domestic industry – an issue that may need to be urgently addressed by the Government. Suppressed demand for domestic steel has the potential to adversely impact mining activity in the country and jeopardize future prospects for your Company.

On the domestic front, the biggest challenge facing your Company is in sustaining high levels of performance in spite of insufficient investment in infrastructure and poor developers' interest in the existing model of PPP projects. However, these are issues that are expected to be resolved soon, as mentioned earlier, and the benefits should flow to the business space that your Company operates in. Nonetheless, land acquisition continues to be an issue that needs early resolution. Your Company has made significant investments in the new plant at Kharagpur, but awaits adequate return on that investment.

## OUTLOOK

The outlook for fiscal year 2016 and beyond is shaped largely by a mix of global changes and policy developments on the domestic front. Vital reform measures like the new Land Bill and GST Bill are still pending approval of the Upper House. Onset of economic rebound in India will be contingent upon the speed with which political concurrence is attained on these critical issues, as well as, on the turnaround of productive economic activities in the Euro Area and the US. These in turn will provide an impetus to India's exports. With the Chinese economy slated to slow down considerably in the current fiscal, India is faced with a unique opportunity to assume a dominant position and present herself as a manufacturing and investment hub to the world.

The Indian Brand Equity Foundation (IBEF) states that the construction equipment industry - of which your Company is a part of - is estimated to attain revenue of US\$ 22.7 billion by 2020 (from US\$ 5.1 billion in FY12). This entails a major jump in volume sales to 96,730 units by 2020 from 55,946 units in 2012-13. In a significant move, the Indian Government has de-licensed the manufacturing of material handling equipment, which contributes a major chunk of your Company's revenues, and also allowed 100% FDI under the automatic route. These are facts that are strongly indicative of the expected growth spurt in this sector in the near term. Demand for rental equipment is also set to witness strong growth in the medium term due to large investments in infrastructure.

Infrastructure - the business space that your Company operates in, is a major thrust area for the Government. Growth had stagnated in this sector mostly on account of issues related to sovereign clearances and land acquisition. But, even as restrictive regulations are being eased or removed, industry sentiments are slow to recover, with a large number of projects, especially in Roads, being stuck in disputes / arbitration, developers facing serious liquidity crisis, and lenders trying their best to limit their exposure to the ailing sector.

On the positive side, the Cabinet Committee of Economic Affairs (CCEA) has approved a comprehensive exit policy for the Roads sector, allowing developers to quit a project two years after completion, a measure that will help them monetize assets and unlock capital for future projects. The Cabinet has also allowed the National Highways Authority of India (NHAI) to inject funds into stressed projects, on a loan basis at a pre-set rate of return, which will help to complete them.

The construction equipment industry - accounting for around 7-8% of India's GDP and employing more than 30 million people, makes for more than 60% of India's total investment in infrastructure (Source: IBEF). The erstwhile Planning Commission had estimated India's total infrastructure investment to reach 10% of GDP during the 12th Five-Year Plan (2012-17), up from 7.6% during the previous plan (2007-12) (Source: IBEF). In line with that assessment, funds allocated to the infrastructure sector received a major boost of 150% (to INR 2.8 trillion) in the last Union Budget - including increments of 178% and 52% to roads and railways sectors respectively (Source: CRISIL analysis of Union Budget 2015-16).

In addition, many significant steps have been taken to improve the availability of funds for infrastructure. This includes higher allocation for road cess, more funding through the National Investment and Infrastructure Fund, tax-free bonds and rationalisation of taxes for infrastructure investment trusts. The Government's intent to salvage the largely unsuccessful public-private-partnership model with a more workable annuity-based model, to attract more investment, is also a positive move. Japan, China and foreign pension funds have expressed active interest in investing in India's infrastructure – particularly in smart cities, expressways and high-speed railway networks.



The benefits of all these positive developments are expected to permeate the sector over the ongoing fiscal year - and your Company is adequately geared to make the best of the emerging opportunities.

## KNOWLEDGE RESOURCE

Despite a volatile economic scenario, your Company has maintained and strengthened its focus on People Development during the year under review. Primary focus has been on the development and management of talent. In line with your Company's strategic vision, the goal has been to ensure proficiency across levels through comprehensive and focused interventions.

At the operational levels, your Company had refresher programs with improved delivery of content and emphasis on team learning and building a shared vision. At the leadership / managerial levels, necessary critical competencies were addressed and individual development plans chalked out to ensure effectiveness in the present roles and preparation for potential leadership roles. Competency Architecture was also revalidated to ensure seamless transition to meet ever changing business imperatives and priorities. Furthermore, there has been a constant cycle of feedbacks and objective measurements throughout the year for people at the operational levels to minimize the gap between strategy and execution.

As on 31st March 2015, the total employee strength of TIL & TIPL stood at 3180.

## INTERNAL CONTROLS & THEIR ADEQUACY

The Company has an adequate system of internal controls implemented by the management to ensure unhindered operations, optimum utilization of resources and effective monitoring and compliance with all applicable rules. The Internal Control System is commensurate with the size and our nature of operations.

Regular audits are conducted by qualified Chartered Accountants from an external firm, in addition to your Company's own Internal Audit Department. The Company has an Audit Committee that reviews Audit Reports submitted by the Internal Auditors. The Committee also interacts with your Company's Statutory Auditors and the Internal Auditors to ascertain their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations from time to time.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Total income of TIL and TIPL for the year under review [2014-15] stands at ₹ 1496 Crs. vis-à-vis ₹ 1322 Crs. in previous year [2013-14]. PBT for the year stands at ₹ 25 Crs. compared to ₹ 15 Crs. in the previous year. EBIDTA for the year is ₹ 146 Crs. vis-à-vis ₹ 116 Crs. in 2013-14.

## INDUSTRIAL RELATIONS

The industrial relation was harmonious and cordial with all workmen and unions. Your Company wishes to place on record its sincere appreciation towards the unstinted support of the Unions during these challenging times.

## CAUTIONARY STATEMENT

Certain statements made in the Management Analysis and Report relating to Company's objectives, projections, outlook, expectations, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc. whether express or implied.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

ANNEXURE VII

**PRESCRIBED PARTICULARS ON  
CONSERVATION OF ENERGY, FOREIGN  
EXCHANGE EARNINGS AND OUTGO ETC.**

Information under section 134(3)(m) of the Companies Act, 2013, read with Companies (Disclosure Of Particulars in the Report of Board of Directors) Rules, 1988 and Rule 8(3) of Companies (Accounts) Rules, 2014

**FORM A**

**CONSERVATION OF ENERGY**

The Company has always been aware about the significance of conservation of energy and as such had always endeavored to conserve energy which has enabled it to achieve material results.

**1. Measures taken:**

- a. In Kharagpur Plant, natural light and ventilation system has been installed for which there is no electric consumption on account of ventilation and day time lighting. Similarly, solar lights have been installed along the peripheral road at Kharagpur Plant.
- b. The centralized Air Conditioner machine installed at Administrative block has VRV (Variable Refrigerant Volume) system to minimize electric consumption based on requirement.

**2. Improvements:**

The Company follows a sound and systematic system of maintenance of all equipment's thereby conserving energy to an advantageous level.

**3. Impact of (1) & (2):**

The outcome of these changes has resulted in cost savings for the Company.

**4. Total Energy Consumption and Energy Consumption Per Unit of Production.**

Particulars	Standard Unit	Year ended 31.03.2015	Year ended 31.03.2014
<b>A. Power and fuel consumption</b>			
a) Electricity			
Purchased Units		2,884,801	2,491,119
Total amount (₹ Crs.)		3.04	2.37
Rate Per Unit (₹)		10.54	9.50
b) Own Generation			
Through Diesel Generator			
Units		4,229	6,682
Units per litre		4.70	4.77
Cost per unit (₹)		12.13	12.15
<b>B. Consumption per unit of Production</b>			
Product – Cranes Electricity (in '000)	Nos.	14.30	13.08

## FORM B

### TECHNOLOGY ABSORPTION

#### I. Research and Development

1. **Specific Areas:** The Company's Research and Development activities primarily focuses on improvement and up-gradation of existing products as well as development of new models by absorbing superior technology designs from foreign collaborators. Full efforts are also being made towards import substitution of materials and components by utilizing domestic materials and components.
2. **Benefits Derived:** Use of modern technology and cost cutting through indigenous consumption has enabled the Company to remain as the market leader in the material handling industry.
3. **Plan of Action:** Provision of suitable training, maintaining a congenial working environment and motivating the workforce towards achieving a much higher objective of customer satisfaction shall remain a priority.

#### II. Technology Absorption, Adoption & Innovation

1. **Efforts made:** The Company has continued its endeavor to absorb, adopt and implement the best technologies for its product range to meet the requirements of a globally competitive market. All of the Company's products are compliant with the prevalent regulatory norms in India.
2. **Benefits:** The Company believes that the improved technology and the value addition that is being made to its product range will enhance the quality of its products.
3. **Imported Technology:** In order to acquire the latest state of the art technology available globally the Company has executed technical collaboration agreements with some of the world's finest and distinguished enterprises.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

1. **Efforts:** The Company is exploring the possibility of achieving the fabrication orders, specific market access, and designs subcontracting from its principal, to enhance its foreign exchange earnings.

#### 2. Earnings and Outgo:

( ₹ / Crs . )

i) Foreign Exchange Earnings - export sales (FOB), Commission, Dividend, Technical Fees, etc.	13.88
ii) Foreign Exchange outgo (includes raw material, capital goods, components & spares, and other expenditure in foreign currency, including dividends):	
a) Raw Material with component	90.29
b) Machines (Trading items)	-
c) Spare Parts	8.02
d) Capital goods	-
e) Travelling	0.02
f) Technical Know-how Fees	0.51
g) Royalty	2.40
h) Dividend	-

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman & Managing Director

ANNEXURE VIII

**PARTICULARS OF EMPLOYEES**

Particulars of Employees pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirements of Rule 5(1)	Details														
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Sumit Mazumder, Chairman & Managing Director draws remuneration from Tractors India Private Limited, a wholly owned subsidiary of the Company. All other directors being non-executive are entitled only to sitting fees and commission.														
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table border="1"> <thead> <tr> <th>Name</th> <th>% Increase as compared to previous year</th> </tr> </thead> <tbody> <tr> <td>Aloke Banerjee</td> <td>9.8</td> </tr> <tr> <td>Somnath Bhattacharjee</td> <td>10.7</td> </tr> <tr> <td>Sekhar Bhattacharjee</td> <td>10.0</td> </tr> </tbody> </table>	Name	% Increase as compared to previous year	Aloke Banerjee	9.8	Somnath Bhattacharjee	10.7	Sekhar Bhattacharjee	10.0						
Name	% Increase as compared to previous year														
Aloke Banerjee	9.8														
Somnath Bhattacharjee	10.7														
Sekhar Bhattacharjee	10.0														
(iii) the percentage increase in the median remuneration of employees in the financial year;	9.9%														
(iv) the number of permanent employees on the rolls of company;	<table border="1"> <thead> <tr> <th colspan="3">AS ON 31.03.2015</th> </tr> <tr> <th>Management</th> <th>Trainee</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>374</td> <td>12</td> <td>386</td> </tr> </tbody> </table>	AS ON 31.03.2015			Management	Trainee	Total	374	12	386					
AS ON 31.03.2015															
Management	Trainee	Total													
374	12	386													
(v) the explanation on the relationship between average increase in remuneration and company performance;	Keeping in line with the Remuneration policy of the organization the average increase in compensation has been done for the organization to attract and retain talent based on market situation and our compensation positioning within the comparator basket.														
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The compensation of Key Managerial Personnel has also been done in alignment with the rest of the organization, keeping in line with the Remuneration policy of the organization. In a difficult market situation the Company has operated and the same has been kept in mind while fixing up the remuneration of the organizational Key Management Personnel.														
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	<table border="1"> <thead> <tr> <th rowspan="2">STOCK EXCHANGE</th> <th colspan="2">SHARE PRICE</th> <th rowspan="2">% INCREASE</th> </tr> <tr> <th>AS ON 31.03.2014</th> <th>AS ON 31.03.2015</th> </tr> </thead> <tbody> <tr> <td>BSE</td> <td>153.55</td> <td>479.10</td> <td>212%</td> </tr> <tr> <td>NSE</td> <td>153.85</td> <td>485.00</td> <td>215%</td> </tr> </tbody> </table> <p>Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer have not been made as the Company has not made any Public Issue or Rights Issue of securities in last 7 years.</p>	STOCK EXCHANGE	SHARE PRICE		% INCREASE	AS ON 31.03.2014	AS ON 31.03.2015	BSE	153.55	479.10	212%	NSE	153.85	485.00	215%
STOCK EXCHANGE	SHARE PRICE		% INCREASE												
	AS ON 31.03.2014	AS ON 31.03.2015													
BSE	153.55	479.10	212%												
NSE	153.85	485.00	215%												
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>Average Salary increase of non-managerial employees: 9.9%</p> <p>Average Salary increase of managerial employees: 10.16%</p>														

(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;	Same as point (vi)
(x) the key parameters for any variable component of remuneration availed by the directors;	Apart from fixed remuneration, Executive Directors are entitled to receive commission calculated as a percentage of the net profits of the Company for the year as per the terms of appointment and subject to ceiling provided under the Companies Act, 2013 read with the relevant Rules and Schedule. Non-Executive Directors do not receive any remuneration but are entitled to commission on net profits of the Company for that year as may be declared by the Board subject to approval of the shareholders of the Company within the ceiling provided under the Companies Act, 2013 read with the relevant Rules.
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	No employees are in receipt of remuneration higher than the Managing Director who is the highest paid director.
(xii) affirmation that the remuneration is as per the remuneration policy of the Company;	The remuneration of the organization is as per the remuneration policy of the Company.

#### Employed during the year and in receipt of remuneration aggregating ₹ 60,00,000/- per annum or more:

Name	Age (in years)	No. of shares held	Designation	Gross Remuneration (₹ in lakhs)	Qualification	Experience (in years)	Date of Commencement of employment	Previous employment and position held
Mr. Somnath Bhattacharjee	52	Nil	President & Chief Executive Officer - MHS & EPS	164.9	BE (MECH)	30	19-03-2012	VE Commercial Vehicles Ltd. - Executive Vice President - Sales & Marketing
Mr. Alope Banerjee	60	Nil	President & Chief Financial Officer	85.3	B.Com., ACA	35	01-03-1995	Dunlop India Limited - DGM Financial Accounts
Mr. Pinaki Niyogi	45	Nil	Vice President - Manufacturing & Engineering	68.0	BE (MECH) - Shibpur Engineering	22	01-10-1993	First Employment

#### Employed for the part of the year and in receipt of remuneration aggregating ₹ 5,00,000/- per month or more:

Name	Age (in years)	No. of shares held	Designation	Gross Remuneration (₹ in lakhs)	Qualification	Experience (in years)	Date of Commencement of employment	Previous employment and position held
Mr. A. Mazumdar*	80	545,301	Chairman*	42.2	BSc. (Engg.) USA	59	01-10-1960	Standard Vacuum Limited – Drilling Superintendent

\* Mr. A. Mazumdar relinquished his position as the Chairman of the Company and accepted the position of Chairman Emeritus with effect from 1st June, 2014 and is not entitled to remuneration.

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman & Managing Director

**ANNEXURE IX**
**EXTRACT OF  
ANNUAL RETURN**
**FORM NO. MGT -9**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	L74999WB1974PLC041725
ii)	Registration Date	10.05.1974
iii)	Name of the Company	TIL Limited
iv)	Category of the Company	Manufacturer of heavy machinery
v)	Address of the Registered Office and Contact details	1, Taratolla Road, Garden Reach, Kolkata – 700024 Tel: +91 (033) 6633 2000, 2845/ 2469 3732-6 Fax: + 91 (033) 2469 2143/ 3731
vi)	Whether Listed Company	Listed in BSE, NSE & CSE
vii)	Name, Address and Contact details of Registrar and Transfer Agent	C B Management Services (P) Limited P-22, Bondel Road, Kolkata – 700 019 Telephone : (033) 4011 6700/ 6711/ 6718 Email : rta@cbmsl.com

**II. PRINCIPAL BUSINESS ACTIVITIES**

Business activities contributing 10 % or more of the total turnover of the Company:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Derricks; cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane	4352099	92%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Tractors India Pvt. Ltd. 1, Taratolla Road, Garden Reach, Kolkata - 700024	U29150WB1995PTC072501	Subsidiary	100%	2(87)
2.	TIL Overseas Pte. Ltd. 80 Raffles Place, UOB Plaza 1, # 26-01, Singapore - 048624	N.A.	Subsidiary	100%	2(87)
3.	Tractors Nepal Pvt. Ltd. 7th Floor, Mathurisdan 1113, Ganeshman Singh Path, Ravi Bhawan, Soaltee Mode, Kathmandu, Nepal	N.A.	Subsidiary	100%	2(87)



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

	Category of Shareholder	No. of Shares held at the beginning of the year - 01.04.2014				No. of Shares held at the end of the year - 31.03.2015				% of Total Shares	% age change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>(A) Promoter</b>											
<b>1</b>	<b>Indian</b>										
(a)	Individuals/ HUF	776,647	0	776,647	7.74	776,647	0	776,647	7.74	NIL	
(b)	Central Government(s)										
(c)	State Government(s)										
(d)	Bodies Corporate	2,939,323	0	2,939,323	29.30	2,939,323	0	2,939,323	29.30	NIL	
(e)	Bank/Financial Institutions										
(f)	Others										
	<b>Sub Total(A)(1)</b>	<b>3,715,970</b>	<b>0</b>	<b>3,715,970</b>	<b>37.05</b>	<b>3,715,970</b>	<b>0</b>	<b>3,715,970</b>	<b>37.05</b>	<b>NIL</b>	
<b>2</b>	<b>Foreign</b>										
(a)	NRIs-Individuals										
(b)	Other-Individuals										
(c)	Bodies Corporate	1,930,828	0	1,930,828	19.25	1,930,828	0	1,930,828	19.25	NIL	
(d)	Bank/Financial Institutions										
(e)	Any Others										
	<b>Sub Total(A)(2)</b>	<b>1,930,828</b>	<b>0</b>	<b>1,930,828</b>	<b>56.30</b>	<b>1,930,828</b>	<b>0</b>	<b>1,930,828</b>	<b>19.25</b>	<b>NIL</b>	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>5,646,798</b>	<b>0</b>	<b>5,646,798</b>	<b>56.30</b>	<b>5,646,798</b>	<b>0.00</b>	<b>5,646,798</b>	<b>56.30</b>	<b>NIL</b>	
<b>(B) Public shareholding</b>											
<b>1</b>	<b>Institutions</b>										
(a)	Mutual Funds	19,008	1,085	20,093	0.20	233,040	1,085	234,125	2.32	2.12	
(b)	Bank/Financial Institutions	1,050	941	1,991	0.02	3,160	2110	4,101	0.04	0.02	
(c)	Central Government(s)										
(d)	State Government(s)										
(e)	Venture Capital Funds										
(f)	Insurance Companies	1,577,940	0	1,577,940	15.73	1,403,385	0	1,403,385	13.99	(1.74)	
(g)	Foreign Institutional Investors (FII)	268,741	0	268,741	2.68	0	0	0	0.00	(2.68)	
(h)	Foreign Venture Capital Investors										
(i)	Other (specify)										
	<b>Sub-Total (B)(1)</b>	<b>1,866,739</b>	<b>2,026</b>	<b>1,868,765</b>	<b>18.63</b>	<b>1,639,585</b>	<b>3,195</b>	<b>1,641,611</b>	<b>16.35</b>	<b>(2.28)</b>	

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(i) Category-wise Share Holding**

	Category of Shareholder	No. of Shares held at the beginning of the year - 01.04.2014				No. of Shares held at the end of the year - 31.03.2015			% of Total Shares	% age change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total		
<b>(B) Public shareholding</b>										
<b>2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate									
i)	Indian	399,608	3,328	402,936	4.02	526,040	3,428	529,468	5.28	1.26
ii)	Overseas									
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	1,264,026	264,288	1,528,314	15.24	1,450,894	242,005	1,692,899	16.88	1.64
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	462,692	15,000	477,692	4.76	380,919	15,000	395,919	3.95	(0.81)
(c)	Other (specify)									
1	NRI/OCB	69,750	15,576	85,326	0.85	59,121	6,081	65,202	0.66	(0.19)
2	Clearing Member	17,304	0	17,304	0.17	46,835	0	46,835	0.47	0.30
3	Foreign National	0	0	0	0	0	9,103	9,103	0.09	0.09
4	Trust	3,130	0	3,130	0.03	2,430	0	2,430	0.02	(0.01)
	<b>Sub-Total (B)(2)</b>	<b>2,216,510</b>	<b>298,192</b>	<b>2,514,702</b>	<b>25.07</b>	<b>2,466,239</b>	<b>275,617</b>	<b>2,741,856</b>	<b>27.35</b>	<b>2.28</b>
	Total Public Shareholding (B)= (B)(1)+(B)(2)	4,083,249	300,218	4,383,467	43.70	4,105,824	278,812	4,383,467	43.70	NIL
	<b>TOTAL (A)+(B)</b>	<b>9,730,047</b>	<b>300,218</b>	<b>10,030,265</b>	<b>100.00</b>	<b>9,752,622</b>	<b>278,812</b>	<b>10,030,265</b>	<b>100.00</b>	<b>NIL</b>
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>9,730,047</b>	<b>300,218</b>	<b>10,030,265</b>	<b>100.00</b>	<b>9,752,622</b>	<b>278,812</b>	<b>10,030,265</b>	<b>100.00</b>	<b>NIL</b>

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

##### (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)		
		No. of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares
1	THE COLES CRANES GROUP LTD.	1,930,828	19.25	NIL	1,930,828	19.25	NIL
2	MAHAN EXIMP LTD.	435,955	4.35	NIL	435,955	4.35	NIL
3	SUPRIYA LEASING LTD.	358,707	3.58	NIL	358,707	3.58	NIL
4	ARIHANT MERCHANTS LTD.	318,749	3.18	NIL	318,749	3.18	NIL
5	SUNRISE PROTEINS LTD.	265,186	2.64	NIL	265,186	2.64	NIL
6	NACHIKETA INVESTMENTS CO. PVT. LTD	197,273	1.97	NIL	197,273	1.97	NIL
7	MARBELLOUS TRADING PVT. LTD.	457,230	4.56	NIL	457,230	4.56	NIL
8	SALGURN MERCHANTS PVT. LTD.	217,223	2.17	NIL	217,223	2.17	NIL
9	B. P. COMMODITIES PVT. LTD.	282,500	2.82	NIL	282,500	2.82	NIL
10	ANSUYA AGENCIES (P) LTD.	105,500	1.05	NIL	105,500	1.05	NIL
11	GOKUL LEASING AND FINANCE PVT. LTD.	249,000	2.48	NIL	249,000	2.48	NIL
12	SUBHMANGAL TRACOM PVT. LTD.	52,000	0.52	NIL	52,000	0.52	NIL
13	AVIJIT MAZUMDAR	545,301	5.44	NIL	545,301	5.44	NIL
14	PIA MAZUMDAR	135,786	1.35	NIL	135,786	1.35	NIL
15	SUMIT MAZUMDER	86,360	0.86	NIL	86,360	0.86	NIL
16	MANJU MAZUMDER	9,200	0.09	NIL	9,200	0.09	NIL
	<b>TOTAL</b>	<b>5,646,798</b>	<b>56.31</b>	<b>NIL</b>	<b>5,646,798</b>	<b>56.31</b>	<b>NIL</b>

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(iii) Change in Promoter's Shareholding**

Sl No.	Category of Shareholder	Shareholding at the beginning of the year (01.04.2014)		Shareholding at the end of the year (31.03.2015)	
		No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
<b>1</b>	<b>THE COLES CRANES GROUP LTD.</b>				
	a) At the Beginning of the Year	1,930,828	19.25	1,930,828	19.25
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			1,930,828	19.25
<b>2</b>	<b>MAHAN EXIMP LTD.</b>				
	a) At the Beginning of the Year	435,955	4.35	435,955	4.35
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			435,955	4.35
<b>3</b>	<b>SUPRIYA LEASING LTD.</b>				
	a) At the Beginning of the Year	358,707	3.58	358,707	3.58
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			358,707	3.58
<b>4</b>	<b>ARIHANT MERCHANTS LTD.</b>				
	a) At the Beginning of the Year	318,749	3.18	318,749	3.18
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			318,749	3.18
<b>5</b>	<b>SUNRISE PROTEINS LTD.</b>				
	a) At the Beginning of the Year	265,186	2.64	265,186	2.64
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			265,186	2.64
<b>6</b>	<b>NACHIKETA INVESTMENTS Co. PVT. LTD</b>				
	a) At the Beginning of the Year	197,273	1.97	197,273	1.97
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			197,273	1.97
<b>7</b>	<b>MARBELLOUS TRADING PVT. LTD.</b>				
	a) At the Beginning of the Year	457,230	4.56	457,230	4.56
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			457,230	4.56
<b>8</b>	<b>SALGURN MERCHANTS PVT. LTD.</b>				
	a) At the Beginning of the Year	217,223	2.17	217,223	2.17
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			217,223	2.17
<b>9</b>	<b>B. P. COMMODITIES PVT. LTD.</b>				
	a) At the Beginning of the Year	282,500	2.82	282,500	2.82
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			282,500	2.82

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

##### (iii) Change in Promoter's Shareholding (Contd.)

Sl No.	Category of Shareholder	Shareholding at the beginning of the year (01.04.2014)		Shareholding at the end of the year (31.03.2015)	
		No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
10	ANSUYA AGENCIES (P) LTD.				
	a) At the Beginning of the Year	105,500	1.05	105,500	1.05
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			105,500	1.05
11	GOKUL LEASING AND FINANCE PVT. LTD.				
	a) At the Beginning of the Year	249,000	2.48	249,000	2.48
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			249,000	2.48
12	SUBHMANGAL TRACOM PVT. LTD.				
	a) At the Beginning of the Year	52,000	0.52	52,000	0.52
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			52,000	0.52
13	AVIJIT MAZUMDAR				
	a) At the Beginning of the Year	545,301	5.44	545,301	5.44
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			545,301	5.44
14	PIA MAZUMDAR				
	a) At the Beginning of the Year	135,786	1.35	135,786	1.35
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			135,786	1.35
15	SUMIT MAZUMDER				
	a) At the Beginning of the Year	86,360	0.86	86,360	0.86
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			86,360	0.86
16	MANJU MAZUMDER				
	a) At the Beginning of the Year	9,200	0.09	9,200	0.09
	b) Change during the Year		NO CHANGE		
	c) At the end of the Year			9,200	0.09
	<b>TOTAL</b>	<b>5,646,798</b>	<b>56.31</b>	<b>5,646,798</b>	<b>56.31</b>

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS)**

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year		
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company	
1	LIFE INSURANCE CORPORATION OF INDIA IN30081210000012							
		a) At the beginning of the year	4/1/2014		1040814	10.3767	1040814	10.3767
		b) Changes during the year						
			Date	Reason				
				NO CHANGE				
	c) At the end of the year	3/31/2015				1040814	10.3767	
2	THE ORIENTAL INSURANCE COMPANY LTD. IN30081210000560							
		a) At the beginning of the year	4/1/2014		297,544	2.9665	297,544	2.9665
		b) Changes during the year						
			Date	Reason				
			4/4/2014	Sale	2,500	0.0249	295,044	2.9415
			4/18/2014	Sale	4,483	0.0447	290,561	2.8968
			4/25/2014	Sale	17,325	0.1727	273,236	2.7241
			5/2/2014	Sale	7,246	0.0722	265,990	2.6519
			5/9/2014	Sale	11,511	0.1148	254,479	2.5371
			5/23/2014	Sale	11,712	0.1168	242,767	2.4203
			5/30/2014	Sale	29,327	0.2924	213,440	2.1280
			6/6/2014	Sale	20,418	0.2036	193,022	1.9244
			6/13/2014	Sale	4,165	0.0415	188,857	1.8829
			7/4/2014	Sale	7,500	0.0748	181,357	1.8081
			7/11/2014	Sale	750	0.0075	180,607	1.8006
			1/23/2015	Sale	7,806	0.0778	172,801	1.7228
			1/30/2015	Sale	5,341	0.0532	167,460	1.6695
	3/13/2015	Sale	4,832	0.0482	162,628	1.6214		
	3/20/2015	Sale	223	0.0022	162,405	1.6191		
	c) At the end of the year	3/31/2015				162,405	1.6191	
3	PINEBRIDGE INVESTMENTS ASIA LIMITED A/C PINEBRIDGE INVESTMENTS GF MAURITIUS LTD. IN30014210669895							
		a) At the beginning of the year	4/1/2014		268,741	2.6793	268,741	2.6793
		b) Changes during the year						
			Date	Reason				
		6/13/2014	Sale	268,741	2.6793	0	0.0000	
	c) At the end of the year	3/31/2015				0	0.0000	



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

##### (iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
4	GENERAL INSURANCE CORPORATION OF INDIA IN30081210000029						
	a) At the beginning of the year	4/1/2014		239,416	2.3869	239,416	2.3869
	b) Changes during the year						
		Date	Reason				
		11/28/2014	Sale	18,919	0.1886	220,497	2.1983
		12/5/2014	Sale	11,424	0.1139	209,073	2.0844
		12/12/2014	Sale	9,073	0.0905	200,000	1.9940
	c) At the end of the year	3/31/2015				200,000	1.9940
5	SHELLY DESAI 1202770000000233						
	a) At the beginning of the year	4/1/2014		143,467	1.4303	143,467	1.4303
	b) Changes during the year						
		Date	Reason				
		4/11/2014	Sale	1,172	0.0117	142,295	1.4187
		4/18/2014	Sale	3,046	0.0304	139,249	1.3883
		4/25/2014	Sale	759	0.0076	138,490	1.3807
		5/2/2014	Sale	352	0.0035	138,138	1.3772
		5/16/2014	Sale	4,911	0.0490	133,227	1.3283
		5/23/2014	Sale	22,162	0.2210	111,065	1.1073
		5/30/2014	Sale	7,177	0.0716	103,888	1.0357
		6/6/2014	Sale	2,700	0.0269	101,188	1.0088
		7/18/2014	Sale	17,102	0.1705	84,086	0.8383
		10/24/2014	Sale	84,086	0.8383	0	0.0000
	c) At the end of the year	3/31/2015				0	0.0000
6	LATA BHANSHALI IN30047640314336				0.0000		0.0000
	a) At the beginning of the year	4/1/2014		91,000	0.9073	91,000	0.9073
	b) Changes during the year						
		Date	Reason				
		6/20/2014	Sale	8,532	0.0851	82,468	0.8222
		7/11/2014	Sale	9,701	0.0967	72,767	0.7255
		10/17/2014	Sale	24,300	0.2423	48,467	0.4832
		10/31/2014	Sale	2,947	0.0294	45,520	0.4538
		11/7/2014	Sale	20,156	0.2010	25,364	0.2529
		11/7/2014	Sale	25,364	0.2529	0	0.0000
	c) At the end of the year	3/31/2015				0	0.0000

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)**

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year				
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company			
7	Manphool Exports Ltd IN30009511445562									
		a) At the beginning of the year	4/1/2014		83,975	0.8372	83,975	0.8372		
		b) Changes during the year								
			Date	Reason						
			1/10/2014	Sale	83,000	0.8275	975	0.0097		
			2/7/2014	Sale	760	0.0076	215	0.0021		
			2/14/2014	BUY	201	0.0020	416	0.0041		
			3/31/2014	Sale	354	0.0035	62	0.0006		
			5/23/2014	BUY	261	0.0026	323	0.0032		
			6/13/2014	Sale	100	0.0010	223	0.0022		
			9/19/2014	BUY	100	0.0010	323	0.0032		
			9/30/2014	Sale	323	0.0032	0	0.0000		
			c) At the end of the year	3/31/2015			0	0.0000		
8	Bishwanath Prasad Agrawal IN30009510813322									
		a) At the beginning of the year	4/1/2014		49,997	0.4985	49,997	0.4985		
		b) Changes during the year								
			Date	Reason						
			4/25/2014	Sale	5,595	0.0558	44,402	0.4427		
			5/2/2014	Sale	4,860	0.0485	39,542	0.3942		
			5/9/2014	Sale	2,942	0.0293	36,600	0.3649		
			5/16/2014	Sale	5,100	0.0508	31,500	0.3140		
			5/16/2014	Sale	31,500	0.3140	0	0.0000		
			c) At the end of the year	3/31/2015			0	0.0000		
		9	Premier Capital And Securities Pvt Ltd IN30009511502775							
				a) At the beginning of the year	4/1/2014		41,668	0.4154	41,668	0.4154
				b) Changes during the year						
	Date			Reason						
	4/11/2014			Sale	13,282	0.1324	28,386	0.2830		
	5/2/2014			BUY	3,395	0.0338	31,781	0.3169		
	5/23/2014			Sale	24,781	0.2471	7,000	0.0698		
	5/30/2014			Sale	6,285	0.0627	715	0.0071		
	5/30/2014			Sale	715	0.0071	0	0.0000		
	c) At the end of the year			3/31/2015			0	0.0000		

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

##### (iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year		
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company	
10	Indian Syntans Investments (P) Ltd IN30009510673678							
		a) At the beginning of the year	4/1/2014	25,000	0.2492	25,000	0.2492	
		b) Changes during the year						
			Date	Reason				
		8/8/2014	Sale	2,875	0.0287	22,125	0.2206	
	c) At the end of the year	3/31/2015				22,125	0.2206	
11	GIRISH GULATI (HUF) 1201260000155665							
		a) At the beginning of the year	4/1/2014	0	0.0000	0	0.0000	
		b) Changes during the year						
			Date	Reason				
			8/22/2014	BUY	847	0.0084	847	0.0084
			9/30/2014	BUY	14,142	0.1410	14,989	0.1494
			10/17/2014	BUY	4,940	0.0493	19,929	0.1987
			10/24/2014	BUY	2,000	0.0199	21,929	0.2186
			11/7/2014	BUY	2,873	0.0286	24,802	0.2473
			11/14/2014	BUY	6	0.0001	24,808	0.2473
			11/21/2014	BUY	5,557	0.0554	30,365	0.3027
			12/31/2014	BUY	152,751	1.5229	183,116	1.8256
			c) At the end of the year	3/31/2015				183,116
12	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES IN30012611213020							
		a) At the beginning of the year	4/1/2014	0	0.0000	0	0.0000	
		b) Changes during the year						
			Date	Reason				
			7/11/2014	BUY	7,000	0.0698	7,000	0.0698
			8/1/2014	BUY	3,000	0.0299	10,000	0.0997
			8/8/2014	BUY	4,978	0.0496	14,978	0.1493
			8/15/2014	BUY	210	0.0021	15,188	0.1514
			8/22/2014	BUY	7,000	0.0698	22,188	0.2212
			8/29/2014	BUY	1,598	0.0159	23,786	0.2371
			9/5/2014	BUY	5,000	0.0498	28,786	0.2870
			10/17/2014	BUY	5,000	0.0498	33,786	0.3368
			11/7/2014	BUY	4,511	0.0450	38,297	0.3818
			11/14/2014	BUY	5,500	0.0548	43,797	0.4366
			11/21/2014	BUY	10,000	0.0997	53,797	0.5363
			1/16/2015	BUY	10,000	0.0997	63,797	0.6360
			1/23/2015	BUY	9,000	0.0897	72,797	0.7258
	2/6/2015	BUY	4,187	0.0417	76,984	0.7675		
	2/20/2015	BUY	740	0.0074	77,724	0.7749		
	2/27/2015	BUY	3,507	0.0350	81,231	0.8099		
	c) At the end of the year	3/31/2015				81,231	0.8099	

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)**

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
13	Rajeev Rastogi IN30281411785357						
	a) At the beginning of the year	4/1/2014		4,700	0.0469	4,700	0.0469
	b) Changes during the year						
		Date	Reason				
		4/4/2014	BUY	900	0.0090	5,600	0.0558
		4/18/2014	BUY	400	0.0040	6,000	0.0598
		4/25/2014	BUY	3,000	0.0299	9,000	0.0897
		5/2/2014	BUY	2,300	0.0229	11,300	0.1127
		5/9/2014	BUY	6,700	0.0668	18,000	0.1795
		5/16/2014	BUY	2,000	0.0199	20,000	0.1994
		5/23/2014	BUY	25,060	0.2498	45,060	0.4492
		5/30/2014	BUY	4,940	0.0493	50,000	0.4985
		6/6/2014	BUY	2,716	0.0271	52,716	0.5256
		6/13/2014	BUY	7,534	0.0751	60,250	0.6007
		6/20/2014	BUY	430	0.0043	60,680	0.6050
		6/30/2014	BUY	820	0.0082	61,500	0.6131
		7/4/2014	BUY	2,500	0.0249	64,000	0.6381
		7/11/2014	BUY	1,000	0.0100	65,000	0.6480
		7/18/2014	BUY	300	0.0030	65,300	0.6510
		7/25/2014	BUY	1,800	0.0179	67,100	0.6690
		8/1/2014	BUY	500	0.0050	67,600	0.6740
		8/8/2014	BUY	1,600	0.0160	69,200	0.6899
		8/15/2014	BUY	900	0.0090	70,100	0.6989
		8/22/2014	BUY	2,000	0.0199	72,100	0.7188
		8/29/2014	BUY	22	0.0002	72,122	0.7190
		9/5/2014	BUY	378	0.0038	72,500	0.7228
		9/12/2014	BUY	50	0.0005	72,550	0.7233
		9/19/2014	BUY	500	0.0050	73,050	0.7283
		10/17/2014	Sale	750	0.0075	72,300	0.7208
		10/24/2014	BUY	300	0.0030	72,600	0.7238
		11/14/2014	BUY	1,400	0.0140	74,000	0.7378
		12/19/2014	Sale	100	0.0010	73,900	0.7368
		12/31/2014	Sale	200	0.0020	73,700	0.7348
		1/9/2015	BUY	310	0.0031	74,010	0.7379
		1/16/2015	BUY	90	0.0009	74,100	0.7388
		1/23/2015	BUY	150	0.0015	74,250	0.7403
		2/20/2015	BUY	2,000	0.0199	76,250	0.7602
		2/27/2015	BUY	1,950	0.0194	78,200	0.7796
		3/6/2015	BUY	300	0.0030	78,500	0.7826
		3/20/2015	BUY	200	0.0020	78,700	0.7846
	c) At the end of the year	3/31/2015				78,700	0.7846

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

##### (iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)

Sl No.	Name			Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
14	JP MORGAN INDIA MID AND SMALL CAP FUND IN30152430034479						
	a) At the beginning of the year	4/1/2014		0	0.0000	0	0.0000
	b) Changes during the year						
		Date	Reason				
		5/23/2014	BUY	18,130	0.1808	18,130	0.1808
		5/30/2014	BUY	14,229	0.1419	32,359	0.3226
		6/6/2014	BUY	9,000	0.0897	41,359	0.4123
		6/20/2014	BUY	6,890	0.0687	48,249	0.4810
		2/27/2015	BUY	14,779	0.1473	63,028	0.6284
		3/6/2015	BUY	11,777	0.1174	74,805	0.7458
	c) At the end of the year	3/31/2015				74,805	0.7458
15	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO BALANCE IN30012611218636						
	a) At the beginning of the year	4/1/2014		0	0.0000	0	0.0000
	b) Changes during the year						
		Date	Reason				
		1/23/2015	BUY	50,040	0.4989	50,040	0.4989
	c) At the end of the year	3/31/2015				50,040	0.4989
16	EDELWEISS SECURITIES LTD IN30371910121510						
	a) At the beginning of the year	4/1/2014		0	0.0000	0	0.0000
	b) Changes during the year						
		Date	Reason				
		1/2/2015	BUY	1,737	0.0173	1,737	0.0173
		1/23/2015	Sale	1,034	0.0103	703	0.0070
		1/30/2015	BUY	617	0.0062	1,320	0.0132
		2/6/2015	BUY	1,446	0.0144	2,766	0.0276
		2/13/2015	BUY	628	0.0063	3,394	0.0338
		2/20/2015	BUY	25,192	0.2512	28,586	0.2850
		2/27/2015	BUY	412	0.0041	28,998	0.2891
		3/6/2015	BUY	79	0.0008	29,077	0.2899
		3/13/2015	BUY	4,000	0.0399	33,077	0.3298
		3/20/2015	BUY	252	0.0025	33,329	0.3323
		3/27/2015	BUY	50	0.0005	33,379	0.3328
		3/31/2015	Sale	4,415	0.0440	28,964	0.2888
	c) At the end of the year	3/31/2015				28,964	0.2888

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)**
**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS) (Contd.)**

Sl No.	Name		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year		
			No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company	
17	PRIYANKA FINANCE PRIVATE LIMITED 1204450000337702						
	a) At the beginning of the year	4/1/2014	0	0.0000	0	0.0000	
	b) Changes during the year						
		Date	Reason				
		1/30/2015	BUY	30,000	0.2991	30,000	0.2991
		3/13/2015	Sale	3,844	0.0383	26,156	0.2608
	c) At the end of the year	3/31/2015			26,156	0.2608	

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. S. Mazumder Chairman & Managing Director				
	At the beginning of the year	86,360	0.86	86,360	0.86
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	86,360	0.86	86,360	0.86

Note: No other Director or Key Managerial Personnel holds any share in the Company.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

( ₹ In Lakhs )

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year ( 31/03/2014)</b>				
i) Principal Amount	26,996	-	-	26,996
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	122	-	-	122
<b>Total (i+ii+iii)</b>	<b>27,118</b>	<b>-</b>	<b>-</b>	<b>27,118</b>
<b>Change in Indebtedness during the financial year (31/03/2015)</b>				
* Addition	997	350	2,050	3,397
* Reduction	1,219	-	-	1,219
<b>Net Change</b>	<b>(222)</b>	<b>350</b>	<b>2,050</b>	<b>2,178</b>

**V. INDEBTEDNESS (Contd.)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	26,775	350	2,050	29,175
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	121	-	-	121
<b>Total (i+ii+iii)</b>	<b>26,896</b>	<b>350</b>	<b>2,050</b>	<b>29,296</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Mr. S. Mazumdar, Chairman & Managing Director of the Company draws remuneration from Tractors India Pvt. Ltd., the Wholly Owned Subsidiary of the Company.

Mr. A. Mazumdar, former Chairman of the Company has drawn remuneration up to 31st May 2014, the details of which are given below:

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹)
	<b>Mr. A. Mazumdar</b>		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,458,101.00	3,458,101.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	756,932.00	756,932.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission - as % of profit - others, specify...	0.00	0.00
5	Others, please specify	0.00	0.00
	Total (A)	4,215,033.00	4,215,033.00
	Ceiling as per the Act		



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)**
**B. Remuneration to other directors**

( ₹ In Lakhs )

Sl No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Mr. R. L. Gaggar	Mr. U. V. Rao	Mr. G. Swarup	Ms. Veena Hingarh	
	Fee for attending board, committee meetings	0.90	0.45	0.75	0.15	2.25
	Commission	-	-	-	-	
	Others, please specify					
	<b>Total (1)</b>	<b>0.90</b>	<b>0.45</b>	<b>0.75</b>	<b>0.15</b>	<b>2.25</b>
2	Other Non-Executive Directors	Dr. T. Mukherjee	Mr. K.B. Saha	Mr. S. V. Ramana Rao		
	Fee for attending board, committee meetings	0.90	0.45	0.45		1.80
	Commission	-	-	-		
	Others, please specify					
	<b>Total (2)</b>	<b>0.90</b>	<b>0.45</b>	<b>0.45</b>		<b>1.80</b>
	<b>Total (B)=(1+2)</b>					<b>4.05</b>
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Somnath Bhattacharjee ( CEO )	Mr. Sekhar Bhattacharjee (CS)	Mr. Alope Banerjee (CFO)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,771,497.00	2,254,082.00	6,484,005.00	20,509,584.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,722,635.00	1,375,894.00	2,050,090.00	8,148,619.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00	0.00
	others, specify...	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>16,494,132.00</b>	<b>3,629,976.00</b>	<b>8,534,095.00</b>	<b>28,658,203.00</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	----	----	----	----
Punishment	NIL	----	----	----	----
Compounding	NIL	----	----	----	----
<b>B. DIRECTORS</b>					
Penalty	NIL	----	----	----	----
Punishment	NIL	----	----	----	----
Compounding	NIL	----	----	----	----
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	----	----	----	----
Punishment	NIL	----	----	----	----
Compounding	NIL	----	----	----	----

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

## ANNEXURE X

# APPOINTMENT AND REMUNERATION POLICY

TIL Limited ('the Company') already has in place a comprehensive appointment & remuneration policy for all employees under the Employees Handbook Policy. However, in terms of the provisions of the Companies Act, 2013 read with other applicable provisions, the Nomination & Remuneration Committee of the Board of Directors have framed and implemented a similar policy relating to appointment & remuneration policy for Executive & Non-Executive Directors, Key Managerial Personnel (KMP) and other Senior Employees.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises Non-executive Directors of the Company with Independent Directors forming a majority and is in compliance with the provisions of the Companies Act, 2013 and the corporate governance requirements of the Listing Agreement with the Stock Exchanges. The Chairperson of this Committee is an Independent Director. The Chairperson of the Board of Directors may be a member of this Committee but will not Chair any meeting of this Committee.

The Committee, constituted by the Company on 31st May 1999, was reconstituted by the Board at its meeting held on 5th May 2014 in accordance with the provisions of Section 178 of the new Companies Act, 2013 adopting standard terms of reference.

### **Role and Responsibilities**

The Committee ensures the following:

- a) Appointments are made on merit, against objective criteria, selecting the best candidate for the position;
- b) Reviews retirement and resignation from the Board/Committees and/or from the Company;
- c) Advice and ensure proper succession plan for KMPs and Senior Employees;

## **CRITERIA FOR APPOINTMENT AND INDEPENDENCE OF DIRECTORS**

The Committee draws up a specification for the role considering the requirement, balance of skills, knowledge and experience of its existing members and the diversity of the Board. The recruitment process then focuses on appointing candidates who meet the criteria, who have the relevant professional knowledge, professional qualifications and experience. Successful candidates are likely to have demonstrable leadership qualities and interpersonal communication skills, act with integrity and have adequate business exposure. It is also ensured that the proposed appointees have sufficient time available to devote to the role, are compliant with the rules, policies and values of the Company and do not have any conflicts of interest.

## **REMUNERATION POLICY**

The Committee's philosophy is to attract, retain and motivate individuals who have the ability to successfully implement the Company's business strategy and also to have appropriate incentive plans to encourage enhanced performance. In order to foster a high performance culture, a meaningful portion of remuneration is performance linked.

### **a) Remuneration Policy for Non-executive Directors**

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or its Committees at rates which are within the limits prescribed under the Companies Act, 2013. They are also entitled to commission on net profits, as determined by the Board from time to time, not exceeding 1% of the net profits of the Company for that year. The level of remuneration is set to attract and retain Non-executive Directors of the necessary skill and experience by offering them market competitive remuneration.

Non-executive Directors do not participate in Board discussions which relate to their own remuneration. They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other ad hoc meetings. None of the Non-executive Directors is entitled to receive compensation for loss of office at any time or participate in any bonus scheme, share plans or retirement plans.

Non-executive Independent Directors are appointed in compliance with the provisions of the Companies Act, 2013 and must adhere to the Code for Independent Directors laid down under Schedule IV to the Companies Act, 2013 and retain their independence during the entire tenure of appointment as an Independent Director. The terms of service of Non-executive Independent Directors are contained in letters of appointment issued to them after their appointment at a general meeting of the Company.

Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

#### **b) Remuneration Policy for Executive Directors**

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain Executive Directors of the necessary skill and experience by offering them market competitive remuneration reflecting their individual experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration normally effective from 1st April of each year. In considering any increase in base salary the Committee will mainly consider the role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness.

The total remuneration package is designed to provide an appropriate balance between fixed and variable components with focus on long term variable pay so that strong performance is anticipated but without encouraging excessive risk taking.

Executive Directors are not entitled to sitting fees for attending meetings of Directors nor are they entitled to receive compensation for loss of office at any time. As per the provisions of the Companies Act, 2013 Executive Directors are entitled to commission on net profits as determined by the Board from time to time, not exceeding 5% of the net profits of the Company for that year where there is one Executive Director or not exceeding 10% of the net profits for all the Executive Directors taken together.

Remuneration arrangements of Executive Directors consist of the same elements as those of other employees i.e. Basic Salary, HRA and other allowances, retirement benefits (i.e. provident fund, superannuation and gratuity as per the Company's Schemes applicable to all employees) and perquisites as per the Rules of the Company applicable to all employees including corporate club membership, insurance, car and fuel perquisites.

Executive Directors are entitled to avail themselves of 30 days leave in a year and un-availed leave can be accumulated as per the rules of the Company upto a maximum of 120 days.

#### **c) Remuneration to senior management personnel**

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain senior management with the necessary skills, professional qualifications, experience, international exposure and compliance with the rules and policies of the Company. Market competitive remuneration is offered to individuals reflecting their experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration normally effective from 1st April of each year. In considering any increase in base salary the Committee will mainly consider the role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness. The Committee may make additional payments linked to relocation.

The total remuneration package is designed to provide an appropriate balance between fixed and variable components with a focus on long term variable pay so that strong performance is anticipated but without encouraging excessive risk taking.

The terms of service of senior management personnel are contained in appointment letters issued by the Company. The Committee will periodically review the contractual terms, rules and policies of the Company to ensure these reflect best practice and are compliant with various regulations. Normally senior management personnel are appointed until their retirement when they reach the age of 58 years, with review at the end of each year. The severance notice period is normally three months.

Remuneration arrangements of senior management personnel consist of the same elements as those of other employees i.e. Basic Salary, HRA and other allowances, retirement benefits (i.e. provident fund, superannuation and gratuity as per the Company's Schemes applicable to all employees) and perquisites as per Rules of the Company applicable to all employees according to their seniority including corporate club membership, insurance, car and fuel perquisites.

As applicable to all employees, senior management personnel are entitled to avail themselves of 30 days leave in a year and unavailed leave can be accumulated as per the rules of the Company upto a maximum of 120 days.

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman & Managing Director

## ANNEXURE XI

**MANAGING DIRECTOR'S  
CERTIFICATE ON COMPLIANCE  
OF CODE OF CONDUCT****CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT**

As required under Clause 49(II)(E) of the Listing Agreements with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31st March 2015.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

**Sumit Mazumder**  
Chairman & Managing Director

## CEO/CFO CERTIFICATION

To,  
The Board of Directors  
TIL Limited

Re - Financial Statements for the period ended 31st March 2015: Certification by CEO and CFO

We, Sumit Mazumder, Chairman & Managing Director and Alope Banerjee, President & CFO, have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period ended 31st March 2015, which is fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and that we have taken the required steps to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee:-
  - (a) significant changes in the internal control over financial reporting during this year.
  - (b) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
  - (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For and on behalf of Board of Directors

**Sumit Mazumder**  
Chairman & Managing Director

**Alope Banerjee**  
President and Chief Financial Officer

Kolkata  
29th May 2015

# TEN YEARS FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

Particular	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
1 Share Capital	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	973	1,222
2 Share Warrant	-	-	-	-	-	-	878	878	-	-
3 Reserve & Surplus	23,252	26,241	26,181	26,164	21,231	18,827	13,979	11,237	7,549	6,295
<b>4 Net Worth</b>	<b>24,255*</b>	<b>27,244*</b>	<b>27,184*</b>	<b>27,167*</b>	<b>22,234*</b>	<b>19,830*</b>	<b>15,860*</b>	<b>13,118*</b>	<b>8,522*</b>	<b>7,517*</b>
5 Borrowings	24,424	24,160	20,716	11,371	4,275	10,938	11,343	7,876	8,460	12,413
6 Fund Employed	48,679	51,404	47,900	38,538	26,509	30,768	27,203	20,994	16,982	19,930
7 Gross Block	26,553	26,316	24,581	21,958	14,389	19,129	16,096	14,117	12,335	12,440
8 Depreciation	9,734	7,785	6,740	5,744	5,193	8,228	6,889	5,787	5,030	4,596
9 Net Block	16,820	18,531	17,842	16,214	9,196	10,901	9,207	8,330	7,305	7,844
10 Investments	9,982	9,982	9,982	10,385	10,386	750	749	749	749	449
<b>11 Sales</b>	<b>34,166</b>	<b>29,505</b>	<b>28,514</b>	<b>25,090</b>	<b>21,614</b>	<b>82,459</b>	<b>83,275</b>	<b>71,753</b>	<b>56,869</b>	<b>45,440</b>
12 Other Income	698	1,266	1,189	5,353	2,119	6,335	4,304	3,796	2,839	2,706
13 Expenses	11,084	9,845	8,138	7,306	6,217	15,240	15,135	10,839	9,191	7,982
14 Depreciation	1,760	1,113	981	487	416	1,689	1,432	1,140	1,122	1,196
<b>15 Profit Before Tax</b>	<b>(2,901)</b>	<b>371</b>	<b>500</b>	<b>5,748</b>	<b>4,201</b>	<b>7,549</b>	<b>5,057</b>	<b>5,025</b>	<b>2,863</b>	<b>1,885</b>
16 Taxation										
- Current Tax	-	90	100	412	1,420	2,575	1,765	1,559	1,040	675
- Deferred Tax	(39)	116	236	334	(339)	287	(25)	170	(74)	(72)
- Fringe Benefit Tax	-	-	-	-	-	-	90	73	60	97
- Mat Credit Entitlement	-	(86)	(100)	(296)	-	-	-	-	-	-
- Excess income tax provision relating to earlier year, written back	-	-	(3)	-	-	-	-	-	-	-
<b>Profit After Tax</b>	<b>(2,862)</b>	<b>251</b>	<b>267</b>	<b>5,298</b>	<b>3,120</b>	<b>4,687</b>	<b>3,227</b>	<b>3,223</b>	<b>1,837</b>	<b>1,185</b>
Dividend	-	150	201	301	602	602	401	401	293	219

\* Including Revaluation Reserve, Intangible Assets but excluding Deferred Tax credit



# INDEPENDENT AUDITORS' REPORT

To the Members of  
TIL Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of TIL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors as on 31st March 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Notes 29, 32 and 33 to the financial statements;
    - ii. There is no material foreseeable loss which needs to be provided, as required under the applicable law or accounting standards, on long term contracts, including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business / activities / results during the year, clause (v) of paragraph 3 of the Order is not applicable to the Company.

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us, the inventories (other than material lying with third parties and in transit) were physically verified during the year by the Management. In respect of inventories lying with third parties, these have substantially been confirmed by them and those in transit have been verified by the Management with reference to subsequent receipt and/or relevant documents.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vi) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In lakhs)
The Central Sales Tax Act, 1956	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal.	2007-08 to 2010-11	1,122
The Central Sales Tax Act, 1956	Sales Tax	The Additional Commissioner (Appeals), Commercial Taxes, Kolkata	2011-12	127
The West Bengal Value Added Tax Act, 2003	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal.	2008-09 2009-10	1,355
The West Bengal Value Added Tax Act, 2003	Sales Tax	The Additional Commissioner (Appeals), Commercial Taxes, Kolkata	2011-12	58
The Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise (Appeals)	2002-03 2007-08	25
Finance Act, 1994	Service Tax	Commissioner of Central Excise (Appeals)	2007-08	23
Finance Act, 1994	Service Tax	The Customs, Excise and Service Tax Appellate Tribunal, New Delhi	2008-09 to 2009-10	353
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12 to 2012-13	1,175

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(vii) The Company does not have accumulated losses at the end of the financial year and the Company has incurred cash losses during the financial year covered by our audit but has not incurred any cash loss during the immediately preceding financial year.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## BALANCE SHEET AS AT 31ST MARCH 2015

(₹ In Lakhs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	1,003	1,003
(b) Reserves and Surplus	4	23,252	26,241
<b>2 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	5,032	8,165
(b) Deferred Tax Liabilities (Net)	6	840	944
(c) Long-Term Provisions	7	491	404
<b>3 Current Liabilities</b>			
(a) Short-Term Borrowings	8	19,392	15,995
(b) Trade Payables	9	7,021	7,408
(c) Other Current Liabilities	10	5,885	3,800
(d) Short-Term Provisions	11	99	289
<b>TOTAL</b>		<b>63,015</b>	<b>64,249</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12	16,682	18,342
(ii) Intangible Assets	13	138	189
(iii) Capital Work-In-Progress		4,330	4,332
(b) Non-Current Investment	14	9,982	9,982
(c) Long-Term Loans and Advances	15	260	232
(d) Other Non-Current Assets	16	1	-
<b>2 Current Assets</b>			
(a) Inventories	17	18,864	18,679
(b) Trade Receivables	18	8,993	8,024
(c) Cash and Cash Equivalents	19	107	71
(d) Short Term Loans and Advances	20	3,658	4,398
<b>TOTAL</b>		<b>63,015</b>	<b>64,249</b>

See accompanying notes forming part of the financial statements.

In terms of our Report attached

 For Deloitte Haskins & Sells  
Chartered Accountants

 A. Bhattacharya  
Partner

 Kolkata  
29th May 2015

For and on behalf of Board of Directors

 Sumit Mazumder  
Chairman & Managing Director

 Sekhar Bhattacharjee  
Company Secretary

 Aloke Banerjee  
President and Chief Financial Officer

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lakhs)

Particulars	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
I. Revenue from Operations (Gross)	21	34,531	30,439
Less: Excise Duty		2,363	1,688
Revenue from Operations (Net)		32,168	28,751
II. Other Income	22	333	332
III. Total Revenue ( I + II )		32,501	29,083
IV. Expenses :			
Cost of Materials Consumed	23	15,531	15,727
Purchases of Stock-in-Trade (Traded Goods)	24	2,017	2,986
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	844	(4,020)
Employee Benefits Expenses	26	5,634	4,806
Finance Costs	27	4,166	3,061
Depreciation and Amortisation Expenses	13.2	1,760	1,113
Other Expenses	28	5,450	5,039
Total Expenses		35,402	28,712
V. Profit / (Loss) Before Tax (III - IV)		(2,901)	371
VI. Tax Expenses			
(1) Current Tax [ Minimum Alternative Tax (MAT) ]		-	90
Less: MAT Credit Entitlement		-	(86)
Net Current Tax		-	4
(2) Deferred Tax		(39)	116
		(39)	120
VII. Profit for the year (V-VI)		(2,862)	251
VIII. Earnings per Share : [ Nominal Value per Share ₹ 10/- (Previous year ₹ 10/-)] (Refer Note 35 below)			
Basic and Diluted		(28.53)	2.50

See accompanying notes forming part of the financial statements.

In terms of our Report attached

For Deloitte Haskins & Sells  
Chartered Accountants

A. Bhattacharya  
Partner

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

Sekhar Bhattacharjee  
Company Secretary

Aloke Banerjee  
President and Chief Financial Officer



## CASH FLOW STATEMENT

 for the year ended 31st March 2015

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	(2,901)	371
Adjustments for :		
Depreciation and Amortisation Expenses	1,760	1,113
Trade Receivables / Advances / Claims Written off	143	96
Provision for Doubtful Trade Receivables	181	77
(Profit)/Loss on Sale of Fixed Assets (Net)	*	1
Finance Costs (Net)	4,166	3,061
Dividend Income	*	(1)
Interest Income	(2)	(1)
Liability no longer required written back	(91)	(227)
Unrealised Foreign Exchange (Gain)/Loss (Net)	3	-
	6,160	4,119
<b>Operating Profit before Working Capital Changes</b>	3,259	4,490
Changes in Working Capital		
Adjustments for (increase) / decrease in Operating Assets:		
Trade and Other Receivables	(1,260)	(2,030)
Inventories	(185)	(5,480)
Loans and Advances (Short-Term and Long-Term)	812	(769)
Adjustments for (increase) / decrease in Operating Liabilities:		
Trade Payables and Other Liabilities	(54)	3,035
	(687)	(5,244)
<b>Cash Generated from Operations</b>	2,572	(755)
Income Tax Paid	(134)	(126)
<b>Net Cash (used in)/from Operating Activities</b>	2,438	(881)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on Fixed Assets	(239)	(424)
Proceeds from Sale of Fixed Assets	*	(1)
Proceeds from Sale of Investment	-	403
Bank Balances Not Considered as Cash and Cash Equivalents Placed	(1)	-
Interest Received	2	1
Dividend Received	*	1
<b>Net Cash (Used in)/from Investing Activities</b>	(238)	(20)

**CASH FLOW STATEMENT** for the year ended 31st March 2015 (Contd.)

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(4,167)	(3,268)
Proceeds from Long Term borrowings	1,937	3
Repayment of Long Term borrowings	(3,155)	(1,953)
Proceeds/(Repayments) of Short-Term Borrowings	3,397	6,281
Dividend Paid	(150)	(202)
Income Tax on Dividend Paid	(26)	(34)
<b>Net Cash from Financing Activities</b>		827
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		(73)
Cash and Cash Equivalents as at the beginning of the year (Refer Note 18)		144
Cash and Cash Equivalents as at the end of the year (Refer Note 18)		71

\*Amount is below the rounding off norm adopted by the Company.

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the ' Indirect Method ' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'.
- 2) Cash and Cash Equivalents include ₹ 22 lakhs (previous year ₹ 22 lakhs) in respect of unpaid dividend accounts and Nil (previous year ₹ 1 lakh) in respect of deposits with remaining maturity of more than 12 months from the Balance Sheet date.

In terms of our Report of even date

For Deloitte Haskins & Sells  
Chartered Accountants

A. Bhattacharya  
Partner

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

Sekhar Bhattacharjee  
Company Secretary

Aloke Banerjee  
President and Chief Financial Officer

# Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated)

## 1 CORPORATE INFORMATION

TIL Limited (the 'Company') is engaged in manufacturing and marketing of a comprehensive range of material handling, lifting, port and road construction solutions with integrated customer support and after Sales Service. Overall the Company's products and services are termed as Materials Handling Solutions (MHS). The Company has two manufacturing facilities - Kamarhatty and Kharagpur in West Bengal. The Company is a Public Limited Company and is listed in Bombay, Calcutta and National Stock Exchange in India.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets acquired before 1st April 1993, that are carried at revalued amounts (Refer Note 12.1). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.3 Revenue Recognition

Revenue from sales/services (exclusive of Sales Tax / Value Added Tax) are recognised on accrual basis in keeping with related arrangements with customers and is net of credit notes on account of returns and allowances. Rental income is recognised over the period of the contract.

### 2.4 Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

### 2.5 Fixed Assets

Fixed Assets (comprising both tangible and intangible items) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of certain items of Land, Buildings and Plant and Machinery which

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

are stated on the basis of revaluation (with corresponding credit to the Revaluation Reserve Account), being inclusive of resultant write ups. Software is capitalised where it is expected to provide future enduring economic benefit. Capitalisation costs includes license fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

### 2.6 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets (other than leasehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.

Assets given on operating lease

Class of Assets	Useful Life as per the Companies Act 2013	Useful Life as estimated by Management
Plant and Machinery	15 years	6.25 years

Leasehold land is amortised over the period of lease.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

- Technical Know-how fees (Intangible Asset) is being amortised under Straight Line method over its useful life of 5 to 10 years.
- The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### 2.7 Impairment Loss

Impairment loss, if any, is recognised wherever the carrying amount of fixed assets of a cash generating unit exceeds its recoverable amount i.e. net selling price or value in use, whichever is higher.

### 2.8 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investment are carried at cost or fair-value whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary in the value of the investments, such reduction being determined and made for each investment individually.

### 2.9 Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held in inventories for use in production are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

operating capacity. Cost of Finished Goods includes Excise Duty and is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

### 2.10 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment in future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred Tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation.

### 2.11 Employee Benefits

The undiscounted amount of Short-term Employee benefits (i.e. benefits payable within one year) are recognised in the period in which the employee services are rendered.

Contributions towards provident funds are recognised as expense. Provident fund contributions in respect of employees are made to common trust-'Tractors India Employees Provident Fund' (being administered by the trustees of the said fund for the benefit of employees of the company and its subsidiary company i.e. Tractors India Private Limited) and such Trust invest funds following a pattern of investment prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest, is made good by the Company.

Contributions under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.

The Company also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees, which is a defined contribution plan.

Provisions for Gratuity for eligible employees (being a defined benefit plan) is made on the basis of year-end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have attained 45 years of age as on 1st April 2009, provision for Superannuation under Defined Benefit Plan is made on the basis of year end actuarial valuation using Projected Unit Credit method.

In respect of certain eligible employees who have not attained 45 years of age as on 1st April 2009 provision for Superannuation is made :-

- under Defined Contribution Scheme in respect of services rendered with effect from 1st April 2009.
- under Defined Benefit Scheme in respect of services rendered up to 31st March 2009, based on frozen pensionable salary as on 31st March 2009, using Projected Unit Credit method.

Actuarial gains / losses arising in Defined Benefit Plans are recognised in the Statement of Profit and Loss as income or expenses in the year in which they occur.

Accrued liability towards compensated absence, covering eligible employees, evaluated on the basis of year-end actuarial valuation using Projected Unit Credit method, is recognised as a charge.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 2.12 Foreign Currency Transactions and Translation

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the year end are translated at year end rates or at contract rates, covered by forward exchange contracts. The difference in transactions of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss .

In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the Statement of Profit and Loss over the period of the contract. Profit/(Loss) on cancellation of forward contracts are recognised as income or as expenses for the year.

Foreign currency non monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

### 2.13 Borrowing Costs

Borrowing Cost, if any, that are attributable to the acquisition, construction or production of 'Qualifying Assets' are capitalised as part of cost of such assets. A 'Qualifying Asset' is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as expenses in the period in which they are incurred.

### 2.14 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight line basis.

### 2.15 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to accounts. Contingent assets are not disclosed in the financial statements.

### 2.16 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.17 Provision for Warranty

Provision for warranty related costs are recognised when the product is sold. Provision is based on historical experience. The estimate of such warranty-related costs are reviewed periodically by the Management.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 3 SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised</b>		
20,000,000 (31st March 2014 : 20,000,000) Equity Shares of ₹ 10/- each	2,000	2,000
<b>Issued</b>		
10,030,265 (31st March 2014 : 10,030,265) Equity Shares of ₹ 10/- each	1,003	1,003
<b>Subscribed and Paid up</b>		
10,030,265 (31st March 2014 : 10,030,265) Equity Shares of ₹ 10/- each (fully paid up)	1,003	1,003
<b>Total</b>	<b>1,003</b>	<b>1,003</b>

#### 3.1 Reconciliation of the number of Equity shares

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Amount (₹ in Lakhs)	Number	Amount (₹ in Lakhs)
Balance at the beginning of the year	10,030,265	1,003	10,030,265	1,003
Balance at the end of the year	10,030,265	1,003	10,030,265	1,003

#### 3.2 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 3.3 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Coles Crane Group Ltd	1,930,828	19.25	1,930,828	19.25
Life Insurance Corporation of India	1,040,814	10.38	1,040,814	10.38
Mr. Avijit Mazumdar	545,301	5.44	545,301	5.44



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 4 RESERVES AND SURPLUS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Capital Reserve</b>	878	878
<b>Capital Redemption Reserve</b>	400	400
<b>Securities Premium Account</b>	1,934	1,934
<b>Development Rebate Reserve</b>	1	1
<b>Revaluation Reserves</b>		
Opening Balance	644	659
Less: Amount transferred to the Statement of Profit and Loss (Note 12.1)	-	(15)
Closing Balance	644	644
<b>Amalgamation Reserve</b>	20	20
<b>General Reserves</b>		
Opening Balance	3,013	3,000
Add : Amount transferred from Surplus in the Statement of Profit and Loss	-	13
	3,013	3,013
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	19,351	19,289
Add: Profit / (Loss) for the year	(2,862)	251
Less: Depreciation on transition to Schedule II of the Companies Act 2013 on Tangible Fixed Assets with Nil useful life (net of Deferred Tax of ₹ 65 lakhs). (Refer Note 13.3)	(127)	-
Less : Appropriations		
Transfer to General Reserve	-	(13)
Proposed Dividend on Equity Shares	-	(150)
Tax on Proposed Dividend on Equity Shares	-	(26)
Closing Balance	16,362	19,351
<b>Total</b>	<b>23,252</b>	<b>26,241</b>

### 5 LONG TERM BORROWINGS (Refer Note 5.1 below)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>		
<b>Term Loans</b>		
From Banks		
HDFC Bank Limited (HDFC)	600	1,200
DBS Bank Limited (DBS)	655	3,411
AXIS Bank Limited (AXIS)	-	50
State Bank of India (SBI)	2,800	3,500
Ratnakar Bank Limited (RBL)	938	-
<b>Vehicle Loans</b>		
From Banks	39	4
<b>Total</b>	<b>5,032</b>	<b>8,165</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 5.1 Nature of Security and Terms of repayment for Secured borrowings

Nature of Security	Terms of Repayments
<p>1. Term Loans from Banks comprising HDFC Bank Limited (HDFC), (2) DBS Bank Limited (DBS), (3) AXIS Bank Limited (AXIS), (4) State Bank of India (SBI) and (5) Ratnakar Bank Limited (RBL) are secured by a first pari passu charge on all the movable fixed assets (both present and future) of the company and mortgage on certain immovable properties of the company and second pari passu charge on the entire current assets of the company (both present and future).</p>	<p>1. Term Loan from HDFC is repayable in 20 quarterly instalments starting from 30th June 2012 along with interest at prevailing Bank Base Rate plus 225 bps as per the following schedule:</p> <p>At the end of 12 months - 20.00%</p> <p>At the end of 24 months - 20.00%</p> <p>At the end of 36 months - 20.00%</p> <p>At the end of 48 months - 20.00%</p> <p>At the end of 60 months - 20.00%</p> <hr/> <p>2. Term Loan from DBS is repayable as per the following schedule along with interest at LIBOR plus 260 bps per annum :</p> <p>At the end of 12 months - 7.50%</p> <p>At the end of 24 months - 20.00%</p> <p>At the end of 36 months - 32.50%</p> <p>At the end of 48 months - 40.00%</p> <hr/> <p>3. Term Loan from AXIS is repayable by way of 20 quarterly instalments of ₹ 25 lakhs after 24 months from the date of first disbursement (i.e. 16th October 2008) along with interest of Bank Base Rate plus 375 bps per annum.</p> <hr/> <p>4. Term Loan from SBI is repayable by way of 20 quarterly equal instalments of ₹ 175 Lakhs starting from June 2015 along with interest of Bank Base Rate plus 265 bps per annum.</p> <hr/> <p>5. Term Loan from RBL is repayable by way of 12 quarterly equal instalments of ₹ 156 Lakhs starting from December 2014 along with interest of Bank Base Rate plus 175 bps per annum.</p>
<p>2. Vehicle Loan is secured by hypothecation of the vehicle financed.</p>	<p>Vehicle Loan from HDFC is repayable by way of 36 monthly equal instalment of ₹ 0.18 lakh starting from April 2014 inclusive of interest @ 10.6% per annum.</p>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 6 DEFERRED TAX LIABILITIES (NET)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Timing Difference resulting in liabilities / (assets) mainly on account of :		
Difference between net book value of depreciable Capital Asset as per books vis-à-vis written down value as per Income Tax.	1,087	1,255
Deferred Tax on Depreciation on transition to Schedule II of the Companies Act 2013 on Tangible Fixed Assets with Nil useful life. (Refer Note 13.3 below)	(65)	-
Disallowances allowable for Tax purpose on payment	(182)	(311)
<b>Total</b>	<b>840</b>	<b>944</b>

### 7 LONG TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Provision for employee benefits</b>		
Provision for Provident Fund (PF) [Also refer Note 26.1 below]	161	90
Provision for Compensated Absences	330	314
<b>Total</b>	<b>491</b>	<b>404</b>

### 8 SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>SECURED</b>		
Loan Repayable on Demand		
From Banks	16,992	15,995
<b>UNSECURED</b>		
From Banks	350	-
Deposits	2,050	-
<b>Total</b>	<b>19,392</b>	<b>15,995</b>

**8.1** The above borrowings are secured by a first pari passu charge on entire current asset of the Company (namely Stocks, Bills Receivable and Book Debts) and all other movables both present and future whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty and Kharagpur plant of the Company. Second pari passu charge on movable properties including moveable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kamarhatty and Kharagpur plant of the Company.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 9 TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Other than Acceptances (Refer Note 9.1)	7,021	7,408
<b>Total</b>	<b>7,021</b>	<b>7,408</b>

#### 9.1 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	136	124
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2	*
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	15	12
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	24	15

\* Amount is below the rounding off norm adopted by the Company.

### 10 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of Long - Term debt (Refer Note 10.1 below)	4,751	2,836
Security Deposit From Customers	11	7
Advance from customers and others	241	269
Interest accrued but not due on borrowings	121	122
Investors Education and Protection Fund (the fund) shall be credited by the following amount		
Unclaimed Dividend [Note 10.2 below]	22	22
Contribution to Funds (Gratuity, Superannuation, etc.)	339	201
Statutory Remittances	378	332
Others	22	11
<b>Total</b>	<b>5,885</b>	<b>3,800</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 10.1 Current Maturities of Long Term Debt (Refer Note 5.1)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Term Loan From Bank	4,749	2,835
Vehicle Loan form Bank	2	1
<b>Total</b>	<b>4,751</b>	<b>2,836</b>

**10.2** There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the 1956 Act, as at the year end.

### 11 SHORT TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Provision for Employee Benefits</b>		
Compensated Absences (Unfunded)	21	36
Contribution to Provident Fund	4	1
	25	37
<b>(b) Others</b>		
Provision for Warranty [Note 11.1 below]	74	76
Provision for Proposed Equity Dividend	-	150
Provision for Tax on Proposed Dividend	-	26
	74	252
<b>Total</b>	<b>99</b>	<b>289</b>

#### 11.1 Provision for Warranty :

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and Management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to one year.

As per the terms of the contracts, the Company provides post-contract services / warranty support to its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Opening Balance	76	70
Provision during the year	45	58
Provision utilised during the year	(47)	(52)
<b>Closing Balance</b>	<b>74</b>	<b>76</b>

# Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

## 12 TANGIBLE ASSETS

(₹ In Lakhs)

	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost/ Valuation as at 01.04.2014	Additions during the year	Sales during the year	Other Adjustments during the year	Cost/ Valuation as at 31.03.2015	As at 01.04.2014	For the Year	On Sales/ Adjustments during the year	Transition adjustments recorded against surplus balance in statement of Profit & Loss	Other Adjustments during the year	As at 31.03.2015	As at 31.03.2014
<b>Own Assets</b>												
Freehold Land	2,076 (2,056)	- (20)	- -	- -	2,076 (2,076)	- -	- -	- -	- -	- -	2,076 (2,076)	2,076
Leasehold Land	426 (426)	- -	- -	- -	426 (426)	91 (84)	7 (7)	- -	- -	98 (91)	328 (335)	335
Buildings	9,444 (9,200)	16 (226)	- -	- (18) #	9,460 (9,444)	1,281 (1,029)	396 (252)	- -	55 -	- -	7,728 (8,163)	8,163
Plant and Equipment	10,231 (8,866)	145 (1,275)	1 (80)	- (170) #	10,375 (10,231)	3,889 (3,510)	811 (455)	- (76)	114 -	- -	5,561 (6,342)	6,342
Furniture and Fixtures	1,343 (1,235)	9 (108)	- -	- -	1,352 (1,343)	775 (718)	236 (57)	- -	20 -	- -	321 (568)	568
Vehicles	305 (307)	71 (7)	3 (9)	- -	373 (305)	159 (142)	41 (24)	3 (7)	3 -	- -	173 (146)	146
Office Equipment	8 (8)	- -	- -	- -	8 (8)	4 (4)	* *	- -	- -	- -	4 (4)	4
<b>Sub total (A)</b>	<b>23,833</b>	<b>241</b>	<b>4</b>	<b>-</b>	<b>24,070</b>	<b>6,199</b>	<b>1,491</b>	<b>3</b>	<b>192</b>	<b>-</b>	<b>7,879</b>	<b>17,634</b>
Previous Year	(22,098)	(1,636)	(89)	(188)	(23,833)	(5,487)	(795)	(83)	-	-	(17,634)	
Assets Given On Operating Lease												
Plant and Machinery	1,107 (1,107)	- -	- -	- -	1,107 (1,107)	399 (134)	218 (265)	- -	- -	- -	617 (399)	708
<b>Sub total (B)</b>	<b>1,107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,107</b>	<b>399</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>490</b>	<b>708</b>
Previous Year	(1,107)	-	-	-	(1,107)	(134)	(265)	-	-	-	(708)	
<b>Total (A+B)</b>	<b>24,940</b>	<b>241</b>	<b>4</b>	<b>-</b>	<b>25,177</b>	<b>6,598</b>	<b>1,709</b>	<b>3</b>	<b>192</b>	<b>-</b>	<b>16,682</b>	<b>18,342</b>
Previous Year	(23,205)	(1,636)	(89)	(188)	(24,940)	(5,621)	(1,060)	(83)	-	-	(18,342)	

\* Amount is below the rounding off norm adopted by the Company

# Refer note 12.3 below.

**12.1** Based on the valuation report submitted by the valuers appointed for the purpose, certain items of the Company's fixed assets (viz. Freehold and Leasehold Land, Buildings and Plant and Equipment) were revalued on 31st March, 1993 after considering the following factors :-

- The then estimated current market value pertaining to Leasehold Land and Freehold Land and Buildings thereon.
- Value of Plant and Equipment based on their then current cost of replacement.
- Adjustments for the then condition, the standard of maintenance, depreciation up to valuation date etc.

The resultant revaluation surplus of ₹ 2,472 lakhs, arising from the aforesaid revaluation, were transferred to Revaluation Reserve as reflected in the Company's annual accounts for 1992-93. Depreciation on these revalued assets as calculated in the manner includes an additional charge of Nil (Previous Year ₹15 lakhs) and an amount equivalent to the additional charge has been transferred to the statement of Profit and Loss from Revaluation Reserve.

**12.2** Ownership of a flat (cost ₹ 39 lakhs) belonging to the Company in a Co-operative Housing Society is registered in the name of the Managing Director of erstwhile Spoundish Engineering Limited.

**12.3** Other adjustments includes represents borrowing cost capitalised during the year Nil (Previous Year ₹ 115 lakhs).

**12.4** Capital Work in Progress includes borrowing costs ₹ 926 Lakhs ( Previous Year ₹ 926 Lakhs).

**12.5** Amounts in Bracket represent figures of Previous Years.

### 13 INTANGIBLE ASSETS

	GROSS BLOCK			AMORTISATION			NET BLOCK			
	Cost/ Valuation as at 01.04.2014	Additions during the year	Sales during the year	Adjustments during the year	Cost/ Valuation as at 31.03.2015	As at 01.04.2014	For the Year	On Sales/ Adjustments during the year	As at 31.03.2015	As at 31.03.2014
(acquired items)										
Technical Know-how (Refer Note 13.4)	1,276 (1,276)	-	-	-	1,276 (1,276)	1,087 (1,019)	51 (68)	-	1,138 (1,087)	138 (189)
Software	100 (100)	-	-	-	100 (100)	100 (100)	-	-	100 (100)	-
<b>Total</b>	<b>1,376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,376</b>	<b>1,187</b>	<b>51</b>	<b>-</b>	<b>1,238</b>	<b>138</b>
<b>Previous Year</b>	<b>(1,376)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,376)</b>	<b>(1,119)</b>	<b>(68)</b>	<b>-</b>	<b>(1,187)</b>	<b>(189)</b>

( ₹ In Lakhs )

**13.1** Amounts in Bracket represent figures of Previous Years.

**13.2** Details of Depreciation and Amortisation Expenses

Particulars	Year Ended	
	31.03.2015	31.03.2014
Depreciation of Tangible Assets	1,901	1,060
Amortisation of Intangible Assets	51	68
Less : Recoupment from Revaluation Reserve	-	(15)
Less : Depreciation Transferred to Reserve	(192)	-
Depreciation and Amortisation charged to Statement of Profit and Loss	1,760	1,113

( ₹ In Lakhs )

**13.3** With effect from 1st April 2014 the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013. Due to the above, depreciation charged for the year ended 31st March 2015 is higher by ₹ 625 lakhs, further based on transitional provision of Note 7(b) of Schedule II, an amount of ₹ 127 lakhs ( net of Deferred Tax) has been adjusted with surplus in Statement of Profit and Loss.

**13.4** Technical Know-how [shown under Intangible Assets - Note 13] represents technical drawings, designs etc. relating to manufacture of the Company's products acquired pursuant to various agreements conferring the right to manufacture and usage only.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 14 NON CURRENT INVESTMENTS (At Cost)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Value (₹ in Lakhs)	Number	Value (₹ in Lakhs)
<b>Trade - Unquoted :</b>				
Investment in Equity Instruments of Subsidiaries :				
<b>Myanmar Tractors Limited</b>				
Shares of Kyats 1000/- each fully paid (equivalent to US\$ 168.55 each)	-	-	602	13
<b>Tractors Nepal Private Limited</b>				
Shares of Nepalese Rupees 100/- each fully paid	120,000	75	120,000	75
<b>TIL Overseas Pte Limited</b>				
Shares of Singapore \$10 each fully paid	107,577	302	107,577	302
<b>Tractors India Private Ltd.</b>				
Shares of ₹ 10/- each fully paid	4,500,000	9,585	4,500,000	9,585
<b>Other Investments:</b>				
<b>Quoted :</b>				
Investment in Equity Instrument				
<b>Eveready Industries India Limited</b>				
Shares of ₹ 5/- each fully paid	1,266	2	1,266	2
<b>McLeod Russell India Limited</b>				
Shares of ₹ 5/- each fully paid	1,266	2	1,266	2
<b>Bank of India</b>				
Shares of ₹ 10/- each fully paid	7,900	3	7,900	3
<b>Unquoted :</b>				
Investment in Equity Instrument				
<b>Myanmar Tractors Limited</b>				
Shares of Kyats 1000/- each fully paid (equivalent to US\$ 168.55 each)	602	13	-	-
Investment in Debentures				
<b>Woodlands Multispecialty Hospital Limited</b>				
1/2 % Debentures of ₹ 100/- each fully paid	20	*	20	*
<b>Total</b>		<b>9,982</b>		<b>9,982</b>
Aggregate book value of investments				
Quoted		7		7
Unquoted		9,975		9,975
<b>Total</b>		<b>9,982</b>		<b>9,982</b>
Aggregate market value of listed quoted investments		22		23

\*Amount is below the rounding off norm adopted by the Company.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 15 LONG TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Capital Advances	171	145
Security Deposits	74	55
Balance with Government Authorities	7	18
Employee Advances	8	14
<b>Total</b>	<b>260</b>	<b>232</b>

### 16 OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Balances held as Margin Money	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

### 17 INVENTORIES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Raw Material and Components	7,163	5,909
Goods-in-Transit	1,111	1,182
	8,274	7,091
b. Work-in-Progress	3,388	4,117
	3,388	4,117
c. Finished Goods	1,606	3,182
	1,606	3,182
d. Stock-in-Trade	4,083	3,444
Goods-in-Transit	1,379	762
	5,462	4,206
e. Stores and Spares	134	83
	134	83
<b>Total</b>	<b>18,864</b>	<b>18,679</b>

17.1 Refer Note 2.9 for mode of valuation

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 17.2 Details of Work-in-Progress:

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Cranes	1,173	1,396
Self-Propelled Rubber Tyred Container Handling Mobile Crane	276	318
Road Construction Equipment	1,939	2,403
<b>Total</b>	<b>3,388</b>	<b>4,117</b>

### 17.3 Details of Finished Goods:

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Cranes	627	2,068
Self-Propelled Rubber Tyred Container Handling Mobile Crane	589	50
Road Construction Equipment	390	1,064
<b>Total</b>	<b>1,606</b>	<b>3,182</b>

### 17.4 Details of Stock in Trade:

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Spare Parts	4,083	3,444
Road Construction Equipment	1,379	762
<b>Total</b>	<b>5,462</b>	<b>4,206</b>

## 18 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Outstanding for a period exceeding six months from the date they were due for payment</b>		
<b>Unsecured, Considered Good</b>	2,601	634
<b>Unsecured, Considered Doubtful</b>	210	63
	2,811	697
Less : Provision for Doubtful Trade Receivables	(210)	(63)
	2,601	634
<b>Other Trade Receivables</b>		
<b>Unsecured, Considered Good</b>	6,392	7,390
[Includes amount not due for payment of ₹ 4,032 lakhs (Previous year ₹ 6,169 lakhs)]		
<b>Total</b>	<b>8,993</b>	<b>8,024</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 19 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Cash in hand	4	2
Balance with Banks :		
On Current Accounts	81	46
On Dividend Accounts	22	22
On Fixed Deposit	*	1
<b>Total</b>	<b>107</b>	<b>71</b>

\* Amount is below the rounding off norm adopted by the Company.

### 20 SHORT TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Security Deposits	237	247
Employee Advances	34	41
Advance to Government Authorities	16	43
Claims Receivable	1,782	1,977
Accrued Duty Benefits pertaining to exports/Deemed exports	24	217
Advance to Suppliers	287	817
Advance Income Tax	639	505
[Net of Provision for Income Tax of ₹ 10,067 Lakhs (Previous year ₹ 10,067 Lakhs)]		
Mat Credit Entitlement	482	482
Prepayments	157	69
	3,658	4,398
<b>Unsecured, Considered Doubtful</b>		
Security Deposits	48	14
Less : Provision for Doubtful Advances	(48)	(14)
	-	-
<b>Total</b>	<b>3,658</b>	<b>4,398</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 21 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Operating Income</b>		
<b>Sale of products</b>		
Manufactured Goods	26,707	21,992
Traded Goods	6,761	6,677
Sale of services	698	836
	34,166	29,505
<b>Other Operating Revenues</b>		
Rental from Machinery	132	513
Selling Commission earned	51	242
Scrap Sales	182	179
	365	934
<b>REVENUE FROM OPERATIONS (GROSS)</b>	<b>34,531</b>	<b>30,439</b>
Less : Excise Duty	2,363	1,688
<b>REVENUE FROM OPERATIONS (NET)</b>	<b>32,168</b>	<b>28,751</b>

#### 21.1 Details of Sale of Manufactured Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Cranes	17,205	15,645
Self-Propelled Rubber Tyred Container Handling Mobile Crane	6,345	3,617
Road Construction Equipment	3,157	2,730
<b>Total</b>	<b>26,707</b>	<b>21,992</b>

#### 21.2 Details of Sale of Traded Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Cranes	120	189
Road Construction Equipment	158	-
Components and Spares	6,483	6,488
<b>Total</b>	<b>6,761</b>	<b>6,677</b>

**21.3** Excise Duty is net of ₹ Nil (Previous year ₹ 66 lakhs) on account of accrued duty benefit for the year pertaining to Export/ Deemed Exports.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 22 OTHER INCOME

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Interest :</b>		
- On deposit with Banks and Others	2	1
<b>Dividend Income (Long Term):</b>		
- From Others	*	1
Liabilities no longer required written back	91	227
Gain on foreign currency transactions (net)	116	-
Miscellaneous Income	124	103
<b>Total</b>	<b>333</b>	<b>332</b>

\* Amount is below the rounding off norm adopted by the Company.

### 23 COST OF MATERIALS (INCLUDING PURCHASED COMPONENTS) CONSUMED

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Material Consumed	15,531	15,727
[Net off Capitalisation (Refer Note 28.5)]		
<b>Total</b>	<b>15,531</b>	<b>15,727</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 23.1 Details of Raw Materials (Including Purchased Components) Consumed:

Particulars	Unit	Quantity	Value (₹ in Lakhs)	Percentage
<b>Indigenous :</b>				
Iron and Steel	Tones	<b>1,588</b>	<b>883</b>	
		1,056	567	
Ballast/Tail Weight (for Cranes)	Nos	<b>215</b>	<b>192</b>	
		217	191	
Chassis (for Cranes)	Nos	<b>52</b>	<b>911</b>	
		45	915	
Hydraulic Ram and Cylinder	Nos	<b>2,375</b>	<b>1,450</b>	
		2,429	1,298	
Engine (for Cranes)	Nos	<b>83</b>	<b>303</b>	
		119	588	
Others		-	<b>3,358</b>	
		-	4,357	
	<b>A</b>		<b>7,097</b>	<b>46</b>
			7,916	50
<b>Imported :</b>				
Iron and Steel	Tones	<b>2,422</b>	<b>1,733</b>	
		2,064	1,511	
Transmission	Nos	<b>79</b>	<b>554</b>	
		108	704	
Axle	Nos	<b>144</b>	<b>937</b>	
		177	1,362	
Hoist Units	Nos	<b>110</b>	<b>479</b>	
		131	635	
Others		-	<b>4,731</b>	
		-	3,599	
	<b>B</b>		<b>8,434</b>	<b>54</b>
			7,811	50
<b>Total</b>	<b>A+B</b>		<b>15,531</b>	<b>100</b>
			15,727	100

Figures in bold type relate to the Current year.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 24 PURCHASES OF STOCK IN TRADE (TRADED GOODS)

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Purchase of Traded Goods	2,017	2,986
<b>Total</b>	<b>2,017</b>	<b>2,986</b>

#### 24.1 Details of Purchases of Traded Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Cranes	118	182
Road Construction Equipment	750	243
Components and Spares	1,149	2,561
<b>Total</b>	<b>2,017</b>	<b>2,986</b>

### 25 CHANGES IN INVENTORIES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Inventories at the end of the year</b>		
Finished Goods	1,606	3,182
Work-in-Progress	3,388	4,117
Traded Goods	5,462	4,206
	<b>10,456</b>	<b>11,505</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	3,182	2,199
Work-in-Progress	4,117	3,223
Traded Goods	4,206	1,991
	<b>11,505</b>	<b>7,413</b>
Excise Duty on Increase / (Decrease) of Finished Goods	(205)	72
<b>Total Net (Increase) / Decrease</b>	<b>844</b>	<b>(4,020)</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 26 EMPLOYEE BENEFITS EXPENSES \*

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Salaries, Wages and Bonus	4,593	4,228
Contribution to Provident and other Funds	681	268
Staff Welfare Expenses	230	209
Medical Expenses	130	101
<b>Total</b>	<b>5,634</b>	<b>4,806</b>

\*Net off reimbursements by Tractors India Private Limited [Refer note 36 B(i)(g)].

#### 26.1 Employee Benefits

The Company has recognised, in Statement of Profit and Loss for the year ended 31st March 2015 an amount of ₹ 71 lakhs (Previous year ₹ 71 Lakhs) as expenses under defined contribution plans.

##### (A) Provident Fund :

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. Based on the final guidance for measurement of Provident Fund liabilities issued by the Actuarial Society of India, the Company's liability at the year end of ₹165 lakhs ( Previous year ₹ 91 lakhs) has been actuarially determined by an independent authority. The Company has contributed for the year ended 31st March 2015 an amount of ₹ 207 lakhs (Previous year ₹ 214 lakhs) as Provident Fund.

The details of fund and plan asset position as at 31st March 2015 is given below

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Present value of benefit obligation at period end ( ₹ in Lakhs )	2,289	2,155
Cost of shortfall in interest rate guarantee ( ₹ in Lakhs )	74	10
Assumptions used in determining the present value obligation on the interest guarantee under the deterministic approach		
Guaranteed Rate	8.75%	8.75%
Average yield rate based on data of investment portfolio	8.18%	7.89%
Decrement adjusted average future period of service	22 years	21 years
Average maturity period of investment portfolio	2 years	3 years
Discount rate	7.89%	9.16%

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 26.1 Employee Benefits (Contd.)

#### B) Superannuation Fund :

- (i) Certain eligible employees of the Company who had attained at least 45 years of age as on 1st April 2009 are entitled to Superannuation benefit under the Superannuation scheme (a funded Defined Benefit Plan under a common Trust- 'Tractors India Limited Superannuation Fund Scheme', being administered by the trustees of the said fund for the benefit of employees of the Company and its subsidiary company i.e. Tractors India Private Limited). Under the aforesaid benefit scheme the Company makes periodic contribution to the Superannuation Fund Scheme and a predetermined percentage of salary is paid as pension on retirement. The quantum of pension depends on the average basic salary of eligible employee during the last 36 months before retirement. The benefit vests to employees with 12 years of continuous service and attainment of 48 years of age on retirement/death/termination. The most recent actuarial valuation of Plan Assets and Present Value of the Defined Benefit Obligation of Superannuation Fund was carried out as on 31st March 2015.
- (ii) Employees who did not attain 45 years of age as on 1st April 2009 are under the purview of 'Defined Contribution Scheme' in respect of service rendered from 1st April 2009. The benefit of services rendered by these employees up to 31st March 2009 come under the purview of 'Defined Benefit Scheme' as indicated which is frozen as on 31st March 2009. Hence for this category of employees, the benefit of cessation of service will be :
- amount accumulated by annual contribution of 15% of Basic Salary and
  - amount frozen as on 31st March 2009.

#### C) Gratuity Fund :

The Company makes periodic contributions to the Tractors India Limited Staff Gratuity Fund, a funded defined benefit-plan for qualifying employees administrated under a common Trust by the trustees of the said fund for the benefit of the employees of the Company and its subsidiary company i.e. Tractors India Private Limited.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Company's plan (based on average salary of last 36 months and number of years of service, restricted to a maximum of 40 years) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 years of continuous service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2015.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 26.2 Particulars in respect of post retirement defined benefit plans of the Company are as follows :

(₹ In Lakhs)

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	2014-15	2013-14	2014-15	2013-14
<b>1. Reconciliation of the Opening and Closing balances of the Present Value of Obligation</b>				
a. Present Value of Obligation at the Beginning of the Year	1,094	1,081	597	587
b. Current Service Cost	41	46	54	54
c. Interest Cost	81	84	44	46
d. Curtailment Cost/(Credit)	-	-	-	-
e. Actuarial (gain)/loss	199	28	79	(18)
f. Benefits paid	(329)	(145)	(180)	(72)
g. Present Value of Obligation at the end of the Year	1,086	1,094	594	597
<b>2. Reconciliation of the Opening and Closing balances of the Fair Value of Plan Assets :</b>				
a. Fair Value of Plan Assets at the Beginning of the Year	1,116	1,073	458	511
b. Expected return on Plan Assets	86	86	38	39
c. Actuarial gain/(loss)	(31)	25	42	(20)
d. Contributions by the Employer	65	77	140	-
e. Benefits paid	(329)	(145)	(180)	(72)
f. Fair Value of Plan Assets at the end of the Year	907	1,116	498	458
<b>3. Reconciliation of the Present Value of Obligation and Fair Value of the Plan Assets :</b>				
a. Fair Value of Plan Assets at the end of the Year	907	1,116	498	458
b. Present Value of Obligation at the end of the Year	1,086	1,094	594	597
c. (Assets)/Liabilities recognised in the Balance Sheet	179	(22)	96	139
<b>4. Expenses recognised during the year :</b>				
a. Current Service cost	41	46	54	54
b. Interest cost	81	84	44	46
c. Expected return on Plan Assets	(86)	(86)	(38)	(39)
d. Curtailment Cost/(Credit)	-	-	-	-
e. Actuarial (Gain) / Loss	230	3	37	2
f. Expenses recognised during the year	266	47	97	63

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 26.2 Particulars in respect of post retirement defined benefit plans of the Company are as follows (Contd.) :

(₹ In Lakhs)

Description	Superannuation Fund (Funded)					Gratuity Fund (Funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
<b>5. Experience Adjustments on Plan Obligation and Assets</b>										
a. Fair Value of Plan Assets at the end of the Year	907	1,116	1,073	1,168	1,146	498	458	511	471	512
b. Present Value of Obligation at the end of the Year	1,086	1,094	1,081	1,165	1,159	594	597	587	566	559
c. (Assets)/Liabilities recognised in the Balance Sheet	179	(22)	8	(3)	13	96	139	76	95	47
d. Experience Adjustments on Plan Obligation [(Gain) /Loss]	163	50	29	45	107	41	(3)	19	30	151
e. Experience Adjustments on Plan Assets [Gain/(Loss)]	(31)	25	11	(33)	3	42	(21)	2	(1)	(474)

The expenses for the Defined Benefits (referred to in para 26.1 and 26.2 above) are included in the line item under 'Contribution to Provident and other Funds'.

### 26.3 Particulars in respect of post retirement defined benefit plans of the Company are as follows :

Description	Superannuation Fund % Invested		Gratuity Fund % Invested	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>6. Investment Details of Plan Assets as at</b>				
a. Govt of India Securities	23.90	25.47	29.80	25.88
b. Public Sector ( PSU ) Bonds	45.94	48.74	31.38	32.21
c. State / Central Govt Securities	14.14	11.72	19.17	21.16
d. Special Deposit Scheme	16.02	14.07	19.65	20.75
e. Other including Bank Balance	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>7. Assumptions</b>				
a. Discount rate per annum	7.75%	8.75%	7.75%	8.75%
b. Salary escalation rate per annum	4.00%	4.00%	4.00%	4.00%
c. Expected rate of return on Plan Assets per annum	8.52%	8.30%	8.02%	8.30%
d. Method used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
<b>8. Actual Return on Plan Assets</b>	<b>5.29%</b>	<b>10.14%</b>	<b>16.79%</b>	<b>3.77%</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

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

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

**26.5** The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

## 27 FINANCE COSTS

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Interest Expenses*	3,931	2,953
Other Borrowing Charges	235	108
<b>Total</b>	<b>4,166</b>	<b>3,061</b>

\* Includes Interest reimbursed to TIPL. [Refer note 36 B(i)(h)].

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 28 OTHER EXPENSES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Consumption of Stores and Spare Parts (Refer Note 37)	512	523
Power and Fuel	453	431
Rent including Lease Rentals	499	413
Repairs :		
Buildings	124	123
Plant and Machinery	146	104
Others	105	101
	375	328
Insurance	177	165
Rates and Taxes	94	71
Bank Charges	271	222
Travelling Expenses	532	616
Printing & Stationery	72	69
Forwarding Charges	80	27
Carriage Inward	520	420
Postage, Telephone and other Communication Expenses	133	124
Advertising	34	167
Commission	113	185
Royalties	240	216
Professional Fees	315	316
Motor Car and Van Expenses	46	50
Trade Receivables/Advances/Claims written off	143	96
Provision for Doubtful Trade Receivables & Advances	181	77
Warranty Expenses	46	58
Loss on Sale of Fixed Assets (Net)	*	1
Miscellaneous Expenses	614	464
<b>Total</b>	<b>5,450</b>	<b>5,039</b>

\* Amount is below the rounding off norm adopted by the Company.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 28.1 Professional fees include :

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Amount paid /payable to Auditors</b>		
<b>As Auditors (Net of Service Tax)</b>		
- For Audit Fees	14	14
- For Taxation Matters	3	2
- For Limited Reviews	9	9
- For Certification Fees	3	3
- Expenses reimbursed	1	1

**28.2** Miscellaneous expenses include charge/(credit) on account of Loss on Foreign Exchange (Net) of ₹ (116) lakhs [Previous year of ₹ 157 lakhs]. Refer Note 22 for Credit on account of profit on foreign exchange for the current year.

**28.3** Miscellaneous expenses include ₹44 lakhs (Previous year ₹ 8 lakhs) paid to TIL Welfare Trust which is considered to be Corporate Social Responsibility expense by the Company.

**28.4** The Company has various residential / commercial premises taken under cancellable operating lease. Leases range for periods between 3 to 5 years. Terms of the lease include operating term for renewal, increase in rent for future periods, terms of cancellation etc. The operating lease payments for the year amount to ₹ 91 lakhs (Previous Year ₹ 130 lakhs).

**28.5** During the Current Year, the Company has capitalised certain Jigs & Fixtures of ₹ 91 lakhs (Previous Year ₹ 98 lakhs) which comprise of the following expenses as per below:

( ₹ In Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
Raw Materials Consumed	37	38
Consumption of Stores and Spares Parts	-	17
Salaries, Wages and Bonus (Net)	34	25
Other Expenses	20	18
<b>Total</b>	<b>91</b>	<b>98</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 29 CONTINGENT LIABILITIES IN RESPECT OF

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Sales Tax Matters under dispute [Related payments Nil (Previous year NIL)]	2,662	2,567
b. Income Tax Matters under dispute [Excludes disputed Income Tax matters, in view of favorable Tribunal decision in similar case]. [Related payments ₹ 118 lakhs (Previous year ₹ 118 lakhs)]	1,377	1,000
c. Service Tax matters under dispute [Related payments Nil (Previous year Nil)]	376	376
d. Excise Duty matters under dispute [Related payments ₹ 23 lakhs (Previous year ₹ 23 lakhs)]	48	48

The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

### 30 CORPORATE GUARANTEE GIVEN ON BEHALF OF SUBSIDIARIES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>- Limit</b>		
Tractors India Private Limited	53,015	60,840
TIL Overseas Pte. Limited	9,600	9,600
<b>- Amount outstanding at year-end</b>		
Tractors India Private Limited	34,735	41,077
TIL Overseas Pte. Limited	8,835	8,451

### 31 CAPITAL COMMITMENT

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Commitment [Net of advance ₹ 171 lakhs (Previous year ₹ 145 lakhs)]	136	162

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

- 32.1** Based on legal proceedings initiated by the Employees' Union / Association and the interim order of the Hon'ble Calcutta High Court dated 22nd December 2006 and 18th April 2007 restraining the Company from making any contribution / deduction towards Employees' State Insurance in respect of its Kamarhatty (with effect from October, 2006) and Taratolla (with effect from March, 2007) units, in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime ) are between ₹ 7,501 and ₹ 10,000, no contributions / deductions have been made and deposited with the appropriate authorities. The related amounts involved as on 31st March 2015 being Employer's ₹ 4 lakhs (Previous Year ₹ 4 lakhs) and Employees' ₹ 1 lakh (Previous Year ₹ 1 lakh).
- 32.2** Consequent to enhancement of Employees' State Insurance benefit ceiling for 'Employee Wages' from ₹ 10,000 to ₹ 15,000 per month with effect from 1st May 2010, legal proceedings have been initiated by the Employees' Union / Association of the Company and an interim order dated 13th August 2010 has been issued by the Hon'ble Calcutta High Court in this regard, restraining the Company from making contribution / deduction towards Employees' State Insurance in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime ) are between ₹ 10,001 and ₹ 15,000. In view of the said Order, the Company has neither deducted from the certain concerned employees nor contributed its own share to the Employees State Insurance Scheme with effect from 1st August 2010, the related amounts involved as on 31st March 2015 being Employer's ₹ 3 lakhs (Previous Year ₹ 3 lakhs) and Employees' ₹ 1 lakh (Previous Year ₹ 1 lakh).
- 33** Pursuant to a stay order obtained by the Company from the Hon'ble High Court, the Company has stopped paying further Tax on Imported goods into West Bengal, with effect from 1st January 2013. The related unpaid amount till 31st March 2015 is ₹ 336 lakhs (Previous Year ₹ 180 lakhs).
- 34** In terms of Accounting Standard (AS) 17 on 'Segment Reporting', Segment information has been presented in the Consolidated Financial Statements prepared pursuant to Accounting Standard (AS) 21 on 'Consolidated Financial Statements' included in the annual report for the year.

## 35 EARNINGS PER SHARE (EPS) - THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS

Particulars		Year Ended 31.03.2015	Year Ended 31.03.2014
Profit after Tax attributable to the Equity Shareholders ( ₹ in Lakhs)	A	(2,862)	251
Basic and Diluted			
i. Number of Equity Shares at the beginning of the year		10,030,265	10,030,265
ii. Number of Equity Shares issued during the year		-	-
iii. Number of Equity Shares at the end of the year		10,030,265	10,030,265
iv. Weighted average number of Equity Shares outstanding during the year	B	10,030,265	10,030,265
v. Nominal Value of each Equity Share (₹)		10/-	10/-
<b>Basic and Diluted Earnings per Share (₹)</b>	<b>A/B</b>	<b>(28.53)</b>	<b>2.50</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 36 Related Party Disclosure in keeping with Accounting Standard 18 on “Related Party Disclosures”.

#### A) List of Related Parties

Subsidiaries	Tractors Nepal Private Limited TIL Overseas Pte. Limited Tractors India Private Limited Myanmar Tractors Limited (Till 30th December 2014)
Key Management Personnel	Mr. S. Mazumder (Chairman & Managing Director) Mr. Alope Banerjee (President and Chief Financial Officer) Mr. Somnath Bhattacharjee (President and Chief Executive Officer) Mr. Sekhar Bhattacharjee (Company Secretary)
Enterprises over which Key Management Personnel are able to exercise significant influence	TIL Welfare Trust

#### B) Particulars of transactions during the year ended 31st March 2015 :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>I) Subsidiary Companies</b>		
a) Rental Income		
Tractors India Private Limited	12	12
b) Income from Asset Usage		
Tractors India Private Limited	13	86
c) Purchase of Spare Parts		
Tractors India Private Limited	29	33
d) Sale of Spare Parts		
Tractors India Private Limited	13	1
e) Rent Paid		
Tractors India Private Limited	6	9
f) Reimbursement of Expenses (Net) from/to		
Tractors India Private Limited	124	673
g) Interest Paid to		
Tractors India Private Limited	641	180

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### B) Particulars of transactions during the year ended 31st March 2014 (Contd.) :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>I) Subsidiary Companies (Contd.)</b>		
h) Intercorporate Deposits (ICD) taken from		
Tractors India Private Limited	29,897	24,798
i) ICD repaid to		
Tractors India Private Limited	29,897	24,798
j) Year-end Balances		
i) Receivables		
Tractors India Private Limited	12	1
ii) Corporate Guarantee	Refer Note 30	Refer Note 30
iii) Investments		
Myanmar Tractors Limited	-	13
Tractors Nepal Private Limited	75	75
TIL Overseas Pte. Limited	302	302
Tractors India Private Limited	9,585	9,585
iv) Payables		
Tractors India Private Limited	27	12
<b>II) Key Management Personnel</b>		
Remuneration		
Mr. A. Mazumdar	42 #	482*
Mr. Alope Banerjee	85	-
Mr. Somnath Bhattacharjee	165	150
Mr. Sekhar Bhattacharjee	36	30
<b>III) Enterprises over which Key Management Personnel are able to exercise significant influence</b>		
Donations	44	8

\* Includes ₹ 226 lakhs pertaining to 2012-13 paid during the year against Central Government approval dated 18th November 2013.

# Payments made for April 2014 and May 2014.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 37 VALUE OF IMPORTED AND INDIGENOUS

Particulars	Year Ended 31.03.2015	%	Year Ended 31.03.2014	%
	(Value ₹ in Lakhs)		(Value ₹ in Lakhs)	
<b>Consumption of Stores</b>				
Imported	88	17	103	20
Indigenous	424	83	420	80
<b>Total</b>	<b>512</b>	<b>100</b>	<b>523</b>	<b>100</b>

### 38 C.I.F. VALUE OF IMPORTS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
(a) Raw Materials with Components	9,029	8,711
(b) Spare Parts (excluding items in transit at year-end)	802	1,159

### 39 EXPENDITURE IN FOREIGN CURRENCY

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
(on accrual basis)		
Travelling	2	9
Technical Know-How Fees	51	68
Royalty	240	216

### 40 EARNINGS IN FOREIGN EXCHANGE

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Remittance received on account of		
(a) Export of goods calculated on FOB basis	1,328	1,567
(b) Selling Commission (including Dealer's profit)	60	239

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 41 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a. Derivatives outstanding as on Balance Sheet date</b>		
Forwards Contract to buy EURO		
Hedge of firm commitments [Current year Nil (Previous year EURO 2.26 lakhs)]	-	195
Hedge of Borrowings [Current year EURO 9.83 lakhs (Previous year EURO 0.98 lakhs)]	747	83
Forwards Contract to buy USD		
Hedge of firm commitments [Current year Nil (Previous year USD 12.71 lakhs)]	-	795
Hedge of Borrowings [Current year USD 2.38 lakhs (Previous year USD 11.91 lakhs)]	147	733
Swap Contract to buy USD [Current year USD 65.75 lakhs (Previous year USD 107.50 lakhs)] (Hedge of firm commitments)	3,411	5,545
<b>b. Particulars of unhedged foreign currency exposures as at the reporting date</b>		
<b>Trade Payables</b>		
[EURO 10.79 lakhs (Previous year EURO 3.84 lakhs)]	724	319
[GBP 0.07 lakhs (Previous year GBP 0.07 lakhs)]	7	7
[SGD Nil (Previous year SGD 0.02 lakhs)]	*	1
[USD 11.39 lakhs (Previous year USD 11.57 lakhs)]	712	698
<b>Trade Receivables</b>		
[EURO 7.66 lakhs (Previous year EURO 4.77 lakhs)]	514	354
[JPY Nil (Previous year JPY 50 lakhs)]	-	30
[USD 1.43 lakhs (Previous year USD 1.27 lakhs)]	89	78
<b>Borrowings</b>		
[EURO 6.48 lakhs (Previous year EURO Nil)]	433	-
[USD 17.45 lakhs (Previous year USD 1.42 lakhs)]	1,085	85

\*Amount is below the rounding off norm adopted by the Company.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 42 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND TO NON-RESIDENT SHAREHOLDERS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>On Equity Shares :</b>		
(a) Amount Remitted	29	39
(b) Number of Non - Resident Shareholders	2	2
(c) Number of Shares held by them	1,939,931	1,939,931
(d) Dividend for the year	2013-14	2012-13

**43** Previous year figure have been regrouped/reclassified wherever necessary to confirm with current year classification/disclosure.

#### Signatures to Note '1' to '43'

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

Sekhar Bhattacharjee  
Company Secretary

Aloke Banerjee  
President and Chief Financial Officer

Kolkata  
29th May 2015

# INDEPENDENT AUDITORS' REPORT

To the Members of  
TIL Limited

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TIL Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

## Management’s Responsibility for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditors’ Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the Auditors’ judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company’s preparation of the consolidated financial statements that give a

true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2015, and the consolidated profit and the consolidated cash flows for the year ended on that date.

## Other Matters

We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 15,940 lakhs as at 31st March 2015, total revenues of ₹ 1,937 lakhs and net cash outflows amounting to ₹ 660 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), issued by the Central Government in terms of sub-Section (11) of Section 143 of the Act, based on the comments in the Auditors' Report of the Holding Company and Subsidiary Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Notes 31, 32 and 33 to the consolidated financial statements;
  - ii. There is no material foreseeable loss which needs to be provided by the group, as required under the applicable law or accounting standards, on long term contracts, including derivative contracts.
  - iii. There have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company incorporated in India.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

"Our reporting on the Order includes one subsidiary company incorporated in India to which the Order is applicable, which has been audited by us and our report in respect of this entity is based solely on our report, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements."

Having regard to the nature of the Group's business / activities / results during the year, clause 5 of paragraph 3 of the Order is not applicable to the Group.

- (i) In respect of the fixed assets of the Holding Company and subsidiary company incorporated in India:
  - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Holding Company and the subsidiary company incorporated in India has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company and the subsidiary company incorporated in India:
  - (a) As explained to us, the inventories (other than material lying with third parties and in transit) were physically verified during the year by the Management. In respect of inventories lying with third parties, these have substantially been confirmed by them and those in transit have been verified by the Management with reference to subsequent receipt and/or relevant documents.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) In our opinion and according to the information and explanations given to us, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Holding Company and subsidiary company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and the subsidiary company incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) We have broadly reviewed the cost records maintained by the Holding Company and the subsidiary company incorporated in India, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost

records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vi) According to the information and explanations given to us in respect of statutory dues of the Holding Company and the subsidiary company incorporated in India:

- (a) The respective entities have been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In lakhs)
The Central Sales Tax Act, 1956	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal	2007-08 to 2010-11	1,122
The Central Sales Tax Act, 1956	Sales Tax	The Additional Commissioner (Appeals), Commercial Taxes, Kolkata	2011-12	127
The Central Sales Tax Act, 1956	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal	2010-11	18
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner - Jamshedpur	2010-11	1
The Central Sales Tax Act, 1956	Sales Tax	Senior Joint Commissioner (Appeal) of Commercial Taxes, West Bengal	2011-12	212
The Central Sales Tax Act, 1956	Sales Tax	The High Court of Jharkhand at Ranchi	2001-02	5
The Punjab Vat Act, 2005	Sales Tax	The Deputy Excise & Taxation Commissioner (Appeals), Patiala Division, Patiala	2012-13	4
West Bengal Value Added Tax, 2005	Sales Tax	Senior Joint Commissioner (Appeal) of Commercial Taxes, West Bengal.	2011-12	6
The West Bengal Value Added Tax Act, 2003	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal.	2008-09 2009-10	1,355
The West Bengal Value Added Tax Act, 2003	Sales Tax	The Additional Commissioner (Appeals), Commercial Taxes, Kolkata	2011-12	58
The Bihar VAT Act, 2005	Sales Tax	The Joint Commissioner of Commercial Taxes (Appeal) Patna	2008-09, 2009-10 & 2010-11	393
The Delhi Sales Tax, 1956	Sales Tax	The High Court of Delhi	2002-03	5
The Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise (Appeals)	2002-03 2007-08	25
The Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, New Delhi	2008-09 to 2010-11	10
Finance Act, 1994	Service Tax	Commissioner of Central Excise (Appeals)	2007-08	23
Finance Act, 1994	Service Tax	The Customs, Excise and Service Tax Appellate Tribunal, New Delhi	2008-09 to 2009-10	353
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, New Delhi	Aug-04 to Jul-07, Oct-06 to Jan-08, 2008-09 to 2011-12	2,223

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In lakhs)
Finance Act, 1994	Service Tax	The Commissioner (Appeal) of Central Excise and Customs, Jaipur.	2010-11 to 2012-13	143
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	Jan-04 to Aug-07	861
Finance Act, 1994	Service Tax	The Commissioner of Central Excise (Appeal), Kolkata	2004-05, 2007-08 & 2008-09	39
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12 to 2012-13	1,175
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12 to 2012-13	268

- (d) The aforesaid entities have been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (vii) The Group does not have consolidated accumulated losses at the end of the financial year and the Group, has not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Holding Company and the subsidiary company incorporated in India have not defaulted in the repayment of dues to banks. The Group has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Group. The subsidiary company incorporated in India has not given any guarantee for loans taken by others from banks and financial institutions.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Holding Company and the subsidiary company incorporated in India during the year for the purposes for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and its subsidiary company incorporated in India and no material fraud on the Holding Company and its subsidiary company incorporated in India has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹ In Lakhs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	1,003	1,003
(b) Reserves and Surplus	4	31,979	35,409
<b>2 Optionally Convertible Preference Shares issued by a Subsidiary Company outside the group</b>	3.2(b)	15	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	16,079	19,916
(b) Deferred Tax Liabilities (Net)	6(a)	1,412	1,751
(c) Long-Term Provisions	7	1,333	815
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	8	48,992	35,518
(b) Trade Payables	9	14,038	17,513
(c) Other Current Liabilities	10	11,594	7,466
(d) Short-Term Provisions	11	111	309
<b>TOTAL</b>		<b>1,26,556</b>	<b>1,19,700</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12	28,011	27,991
(ii) Intangible Assets	13	2,020	2,399
(iii) Capital Work-In-Progress		4,330	4,332
(iv) Intangible Assets under Development		250	-
(b) Goodwill on Consolidation		1	1
(c) Non-Current Investment	14	20	7
(d) Deferred Tax Assets (Net)	6(b)	47	44
(e) Long-Term Loans and Advances	15	9,363	8,743
(f) Other Non-Current Assets	16	1	-
<b>2 Current Assets</b>			
(a) Inventories	17	40,147	35,991
(b) Trade Receivables	18	29,213	27,112
(c) Cash and Cash Equivalents	19	3,845	4,438
(d) Short-Term Loans and Advances	20	9,307	8,642
(e) Other Current Assets	21	1	-
<b>TOTAL</b>		<b>1,26,556</b>	<b>1,19,700</b>

See accompanying notes forming part of the consolidated financial statements.

In terms of our Report attached  
 For Deloitte Haskins & Sells  
 Chartered Accountants  
 A. Bhattacharya  
 Partner  
 Kolkata  
 29th May 2015

For and on behalf of Board of Directors  
 Sumit Mazumder  
 Chairman & Managing Director  
 Sekhar Bhattacharjee  
 Company Secretary  
 Aloke Banerjee  
 President and Chief Financial Officer



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lakhs)

Particulars	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
I. Revenue from Operations (Gross)	22	150,172	133,682
Less: Excise Duty		3,027	2,424
Revenue from Operations (Net)		147,145	131,258
II. Other Income	23	586	1,090
III. Total Revenue (I + II)		147,731	132,348
IV. Expenses :			
Cost of Materials Consumed	24	19,875	22,023
Purchases of Stock-in-Trade (Traded Goods)	25	87,603	74,649
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(3,057)	(699)
Employee Benefits Expenses	27	15,918	13,053
Finance Costs	28	8,773	7,186
Depreciation and Amortisation Expenses	13.3	4,028	3,146
Other Expenses	29	12,375	11,523
Total Expenses		145,515	130,881
V. Profit Before Tax (III - IV)		2,216	1,467
VI. Tax Expenses			
(1) Current Tax		1,996	342
Less: Minimum Alternate Tax (MAT) Credit Entitlement		-	(271)
Net Current Tax		1,996	71
(2) Deferred Tax		(252)	403
		1,744	474
VII. Profit for the year (V-VI)		472	993
VIII. Earnings per Equity Share : [ Nominal Value per Share ₹ 10/- (Previous year ₹ 10/- )] [Refer Note 37]			
Basic and Diluted		4.71	9.90

See accompanying notes forming part of the consolidated financial statements.

In terms of our Report attached  
For Deloitte Haskins & Sells  
Chartered Accountants  
A. Bhattacharya  
Partner  
Kolkata  
29th May 2015

For and on behalf of Board of Directors  
Sumit Mazumder  
Chairman & Managing Director  
Sekhar Bhattacharjee  
Company Secretary  
Aloke Banerjee  
President and Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2015

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	2,216	1,467
Adjustments for :		
Depreciation and Amortisation Expenses	4,028	3,146
Trade Receivables/Advances/Claims written off	149	295
Provision for doubtful trade receivables	281	77
(Profit)/Loss on Sale of Fixed Assets (Net)	(232)	(283)
Finance Costs (Net)	8,773	7,107
Dividend Income	*	(1)
Interest Income	(7)	(5)
Liability no longer required written back	(110)	(696)
Unrealised Foreign Exchange (Gain)/Loss (Net)	(4,502)	189
	8,380	9,829
<b>Operating Profit before Working Capital Changes</b>	10,596	11,296
Adjustments for (Increase)/Decrease in Operating Assets :		
Trade and Other Receivables	(2,530)	(4,300)
Inventories	(4,156)	(2,084)
Loans and Advances (Short-Term and Long-Term)	(1,503)	(9,252)
Adjustments for Increase/(Decrease) in Operating Liabilities :		
Trade Payables and Other Liabilities	(617)	7,836
	(8,806)	(7,800)
<b>Cash Generated from Operations</b>	1,790	3,496
Direct Taxes Paid	(1,073)	(778)
<b>Net Cash from/(used in) Operating Activities</b>	717	2,718
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,964)	(3,506)
Proceeds from Sale of Fixed Assets	1,022	1,074
Bank Balances Not Considered as Cash and Cash Equivalents Placed	(1)	-
Interest Received	7	1
Dividend Received	*	1
<b>Net Cash Used in Investing Activities</b>	(3,936)	(2,430)

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2015 (Contd.)

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Optionally Convertible Preference Share	15	-
Interest Paid	(8,760)	(7,376)
Proceeds from Long-Term Borrowings	2,304	11,341
Repayment of Long-Term Borrowings	(4,274)	(3,043)
Proceeds/(Repayments) of Short-Term Borrowings (Net)	13,474	(1,288)
Dividend Paid	(150)	(202)
Income Tax on Dividend Paid	(26)	(34)
<b>Net Cash from/(used in) Financing Activities</b>	<b>2,583</b>	<b>(602)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(636)</b>	<b>(314)</b>
Cash and Cash Equivalents as at the beginning of the year (Refer Note 19)	4,438	4,752
Cash and Cash Equivalents as at the end of the year (Refer Note 19)	3,802	4,438

\*Amount is below the rounding off norm adopted by the Company.

**Notes :** 1) The above Cash Flow Statement has been prepared under the ' Indirect Method ' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'.

2) Reconciliation of Cash and Cash Equivalents with the Consolidated Balance Sheet:

(₹ In Lakhs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Cash and Cash Equivalents (Refer Note 19)	3,845	4,438
Less: Bank balances not considered as Cash and Cash Equivalents as defined in AS 3 Cash Flow Statements:		
In Earmarked Accounts	-	-
Balances held as margin money	43	-
Cash and Cash Equivalents at the end of the year	3,802	4,438

3) Cash and Cash Equivalents include ₹ 22 lakhs (previous year ₹ 22 lakhs) in respect of unpaid dividend accounts and Nil (previous year ₹ 1 lakh) in respect of Deposits with Remaining Maturity of more than 12 months from the Balance Sheet date.

In terms of our Report of even date

For Deloitte Haskins & Sells  
Chartered Accountants

A. Bhattacharya  
Partner

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman & Managing Director

Sekhar Bhattacharjee  
Company Secretary

Aloke Banerjee  
President and Chief Financial Officer

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated)

**1** The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets acquired before 1st April 1993, that are carried at revalued amounts (Refer Note 12.1). The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

**2.1** The Consolidated Financial Statements represent consolidation of Financial Statements of TIL Limited (TIL) (Company) with its subsidiaries (together referred as 'the Group') as detailed below :

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Accounting Year
TIL Overseas Pte. Limited. (TILO)	Singapore	100%	1st April to 31st March
Tractors Nepal Private Limited. (TNPL)	Nepal	100%	1st April to 31st March
Tractors India Private Limited. (TIPL)	India	100%	1st April to 31st March
Myanmar Tractors Limited.* (MTL)	Myanmar	2.5%	1st April to 30th Dec, 2014

\* Disposed off during the year

### 2.2 The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Company and its subsidiaries (indicated above) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully adjusting / eliminating intra-Group balances and intra- Group transactions and resulting unrealised profits. Unrealised losses resulting from intra-Group transactions are eliminated unless cost cannot be realised.
- The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible (with appropriate regrouping/realignment), except as indicated in Notes 2.3 and 2.4 below, in the same manner as the Company's separate Financial Statements.
- The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiary, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for income and expenses using average exchange rate prevailing during the year. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Currency Translation Reserve) by the Company until the disposal of investment.
- The excess of cost to the Company of its investment in the subsidiaries over parent's portion of equity of subsidiaries at the dates they become subsidiaries is recognised in the consolidated Financial Statements as Goodwill. Goodwill arising on consolidation is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment loss.

**2.3** Accounting policies for the Group are same as followed by the Company (TIL Limited) as indicated in Note 2 on Notes to Financial Statement of TIL Limited's Accounts for the year ended 31st March 2015, except as follows :

- Certain Loose Tools of TIPL are written off over a period of 5 years.
- Fixed Assets of the subsidiaries have not been revalued.
- Tangible and Intangible Fixed Assets of TILO are depreciated under the Straight Line Method over their estimated useful lives (being lower than the useful lives prescribed under Schedule II the Companies Act, 2013 of India) as indicated below -

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

Category of Assets	Useful lives (in years)
Vehicles	5
Furniture and Fixtures	5
Plant and Equipment	4-5

Depreciation charge for the year and Accumulated year end Depreciation for such subsidiary as a proportion to the group are as follows:

Particulars	As at 31.03.2015		As at 31. 03.2014	
	Amount	Proportion to the item	Amount	Proportion to the item
Depreciation	6	0.1%	6	0.2%
Accumulated Depreciation	30	0.2%	24	0.2%

**2.4** The foreign subsidiary TILO does not have any Defined Benefit Retirement Schemes for its employees. In respect of TNPL gratuity is provided as per local laws and such provision is not significant in the context of Consolidated Financial Statements.

### 3 SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised</b> 20,000,000 (31st March 2014 : 20,000,000) Equity Shares of ₹ 10/- each	2,000	2,000
<b>Issued</b> 10,030,265 (31st March 2014 : 10,030,265) Equity Shares of ₹ 10/- each	1,003	1,003
<b>Subscribed and Paid up</b> 10,030,265 (31st March 2014 : 10,030,265) Equity Shares of ₹ 10/- each (fully paid up)	1,003	1,003
<b>TOTAL</b>	<b>1,003</b>	<b>1,003</b>

#### 3.1 Reconciliation of the number of Equity shares

Particulars	As at 31.03.2015		As at 31. 03.2014	
	Number	Amount (₹ In Lakhs)	Number	Amount (₹ In Lakhs)
Balance at the beginning of the year	10,030,265	1,003	10,030,265	1,003
Balance at the end of the year	10,030,265	1,003	10,030,265	1,003

#### 3.2 Rights, Preferences and Restrictions attached to Equity Shares

**a) Equity Shares:** The Parent Company has one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all Preferential amounts, in proportion to their shareholding.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**b) Optionally Convertible Preference Shares:** Tractors India Private Limited has issued 15,00,000 9% Optionally Convertible Preference Shares ('OCPS') having par value of ₹ 10/- per share and ₹ 1/- per share paid up. Each of this Optionally Convertible Preference Share ('OCPS') of ₹ 10/- carries a right to receive Preference Dividend of 9% per annum and shall operate as a Preference Share Certificate till the conversion of OCPS into equity share on or before 30th June 2017 at the option of either the Company or preference share holder as the case may be. The Equity Shares issued on such conversion shall rank pari passu in all respects with the existing Equity Shares of the Company.

### 3.3 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Parent Company

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Coles Crane Group Ltd	1,930,828	19.25	1,930,828	19.25
Life Insurance Corporation of India	1,040,814	10.38	1,040,814	10.38
Mr. Avijit Mazumdar	545,301	5.44	545,301	5.44

## 4 RESERVES AND SURPLUS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Capital Reserve</b>	878	878
<b>Capital Redemption Reserve</b>	400	400
<b>Securities Premium Account</b>	1,934	1,934
<b>Development Rebate Reserve</b>	1	1
<b>Revaluation Reserve</b>		
Opening Balance	644	659
Less: Amount transferred to the Statement of Profit and Loss	-	(15)
Closing Balance	644	644
<b>Amalgamation Reserve</b>	20	20
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	1,966	2,100
Add/(Less): Effect of foreign exchange rate variations during the year	(3,733)	(134)
Add: Transferred to Consolidated Surplus in Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	3,981	-
Closing Balance	2,214	1,966
<b>General Reserves</b>		
Opening Balance	5,013	5,000
Add: Amount transferred from Surplus in the Statement of Profit and Loss	-	13
Closing Balance	5,013	5,013

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) *Contd.*

### 4 RESERVES AND SURPLUS (*Contd.*)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	24,553	23,749
Less: Depreciation on transition to Schedule II of the Companies Act 2013 on Tangible Fixed Assets with Nil remaining useful life (Net of Deferred Tax of ₹ 87 lakhs) [Refer Note 13.4]	(169)	-
Less: Transferred from Consolidated Foreign Currency Translation Reserve on disposal of the net investment in non-integral foreign operations	(3,981)	-
Profit for the year	472	993
Less : Appropriations		
Transfer to General Reserve	-	(13)
Proposed Dividend on Equity Shares	-	(150)
Tax on Proposed Dividend on Equity Shares	-	(26)
Closing Balance	20,875	24,553
<b>Total</b>	<b>31,979</b>	<b>35,409</b>

### 5 LONG TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) SECURED LOANS (Refer Note 5.1)</b>		
<b>Term Loans</b>		
From Banks	7,118	11,190
From Others	8,835	8,530
<b>Vehicle Loans :</b>		
From Banks	62	12
<b>b) UNSECURED LOANS</b>		
From Others	64	184
<b>Total</b>	<b>16,079</b>	<b>19,916</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 5.1 Nature of Security and Terms of Repayment for Secured Borrowings

Nature of Security	Terms of Repayments
<p><b>A. Term Loans from Banks:</b></p> <p>A.1) Term Loans of the Parent Company comprising (1) HDFC Bank Limited (HDFC), (2) DBS Bank Limited (DBS), (3) AXIS Bank Limited (AXIS), (4) State Bank of India (SBI) and (5) Ratnakar Bank Limited (RBL) are secured by a first pari passu charge on all the movable fixed assets (both present and future) of the company and mortgage on certain immovable properties of the company and second pari passu charge on the entire current assets of the company (both present and future).</p> <p>A.2) Term Loans of the Indian Subsidiary Company comprising (1) HDFC and (2) AXIS are secured by first pari passu charge on movable fixed assets of TIPL and TIL, both present and future and by way of mortgage of certain immovable properties of Company and second pari-passu charge on the current assets of TIPL, both present and future. Further for these facilities a Corporate Guarantee has been provided by TIL. (3) HDFC is secured by first pari passu charge on movable fixed assets of TIPL and TIL, both present and future and by way of mortgage of entire immovable properties of TIL and second pari-passu charge on the current assets of TIPL, both present and future. Further for these facilities a Corporate Guarantee has been provided by TIL.</p>	<p>1) Term Loan from HDFC is repayable in 20 quarterly instalments starting from 30th June 2012 along with interest at prevailing Bank Base Rate plus 225 bps as per the following schedule :</p> <p>At the end of 12 months - 20.00%            At the end of 24 months - 20.00%            At the end of 36 months - 20.00%            At the end of 48 months - 20.00%            At the end of 60 months - 20.00%</p> <p>2) Term Loan from DBS is repayable as per the following schedule along with interest at LIBOR plus 260 bps per annum :</p> <p>At the end of 12 months - 7.50%            At the end of 24 months - 20.00%            At the end of 36 months - 32.50%            At the end of 48 months - 40.00%</p> <p>3) Term Loan from AXIS is repayable by way of 20 quarterly instalments of ₹ 25 lakhs after 24 months from the date of first disbursement (i.e. 16th October 2008) along with interest of Bank Base Rate plus 375 bps per annum.</p> <p>4) Term Loan from SBI is repayable by way of 20 quarterly equal instalments of ₹ 175 Lakhs starting from June 2015 along with interest of Bank Base Rate plus 265 bps per annum.</p> <p>5) Term Loan from RBL is repayable by way of 12 quarterly equal instalments of ₹ 156 Lakhs starting from December 2014 along with interest of Bank Base Rate plus 175 bps per annum.</p> <p>Term loan (1) from HDFC Bank is repayable in 16 equal quarterly instalments starting from 30th June 2012 with interest at Base Rate + 225 bps.</p> <p>Term loan from (2) Axis Bank is repayable in 20 equal quarterly instalments starting from 16th October 2010 with interest at Base Rate + 275 bps.</p> <p>Term loan (3) from HDFC Bank is repayable in 16 quarterly instalments starting from 30th June 2015 with interest at Base Rate + 225 bps.</p>
<p><b>B. Term Loans from Others</b></p> <p>Term Loans of one of the Foreign Subsidiary Company is secured by the Corporate Guarantee by TIL</p>	<p>Term Loan from Caterpillar Financial Services Asia Pte Ltd is repayable in 10 half yearly instalment starting from 30th June 2016 with interest @ LIBOR plus 350bps</p>
<p><b>C. Vehicle Loan</b></p> <p>Vehicle Loans of Parent and Indian Subsidiary Company are secured by hypothecation of the vehicle financed.</p>	<p>Vehicle Loan of Parent Company from HDFC is repayable by way of 36 monthly equal instalment of ₹ 0.18 lakhs starting from April 2014 inclusive of interest @ 10.6% per annum.</p> <p>Vehicle Loan of Indian Subsidiary Company is repayable in 36 monthly instalments together with interest (10%-12%) thereon.</p>



## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 6 DEFERRED TAX

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>a) Deferred Tax Liabilities (Net)</b>		
Timing Difference resulting in liabilities / (assets) mainly on account of :		
Difference between net book value of depreciable Capital Asset as per books vis-à-vis written down value as per Income Tax.	1,955	2,081
Less: Deferred Tax on Depreciation on transition to schedule II of the Companies Act 2013 on Tangible Fixed Assets with Nil useful life. (Refer Note 13.4 below)	(87)	-
Disallowances allowable for Tax purpose on payment	(456)	(330)
<b>Total</b>	<b>1,412</b>	<b>1,751</b>
<b>b) Deferred Tax Assets (Net)</b>		
Timing Difference resulting in liabilities / (assets) mainly on account of :		
Difference between net book value of depreciable Capital Asset as per books vis-à-vis written down value as per Income Tax.	47	44
<b>Total</b>	<b>47</b>	<b>44</b>

### 7 LONG TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Provisions for employee benefits</b>		
Provision for Provident Fund (PF) [Also refer Note 27.1 below]	322	152
Provision for Compensated Absences	1,011	663
<b>Total</b>	<b>1,333</b>	<b>815</b>

### 8 SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>SECURED</b>		
Loan Repayable on Demand		
From Banks	39,759	31,961
Bank Overdraft	3,253	-
<b>UNSECURED</b>		
From Banks	3,930	3,557
Deposits	2,050	-
<b>Total</b>	<b>48,992</b>	<b>35,518</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**8.1** The borrowings of the Parent Company are secured by a first pari passu charge on entire current asset of the Company (namely Stocks, Bills Receivable and Book Debts) and all other movables both present and future whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty and Kharagpur plant of the Company, second pari passu charge on movable properties including moveable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kamarhatty and Kharagpur plant of the Company.

Cash Credit/Working Capital/Buyers' Credit facilities from Consortium Bankers of Indian Subsidiary Company are secured by first pari-passu charge by way of hypothecation on all the Current Assets of the Company (namely Stocks, Bills Receivables and Book Debts etc.) both present and future, excluding such movables as may be permissible by the said bankers from time to time and a second pari passu charge on Fixed Assets of the Company both movable and immovable, present and future, ranking after the mortgage and/or charge created and/or to be created by the Company over such Fixed Assets in favour of its term lenders/prior charge holders for securing their respective Term Loan/Credit facilities and also secured by a second pari-passu charge on all movable and certain immovable properties of the holding company-TIL Limited. Further for these facilities a Corporate Guarantee has been provided to the Consortium Bankers by TIL Limited.

Cash Credit / Working Capital Demand Loans from Banks of one of the Foreign Subsidiary Company are secured by a Standby Letter of Credit of Axis Bank Limited.

### 9 TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Other than Acceptances	10,931	10,904
Acceptances	3,107	6,609
<b>Total</b>	<b>14,038</b>	<b>17,513</b>

### 10 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of Long - Term debt (Refer Note 5.1)	5,806	3,939
Interest accrued but not due on borrowings	320	307
Advance from customers and others	921	1,048
Investors Education and Protection Fund (the fund) has been credited by the following amount		
Unclaimed/Unpaid Dividend [Note 10.1 below]	22	22
Security Deposit From Customers	244	249
Contribution to Funds	748	352
Statutory remittances	1,344	863
Others	2,189	686
<b>Total</b>	<b>11,594</b>	<b>7,466</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

- 10.1** There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the 1956 Act as at the year end.

### 11 SHORT TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(a) Provision for employee benefits</b>		
Contribution to Provident Fund	5	2
Compensated Absences	32	55
	37	57
<b>(b) Others</b>		
Provision for Warranty [Note 11.1 below]	74	76
Provision for Proposed Equity Dividend	-	150
Provision for Tax on Proposed Dividend	-	26
	74	252
<b>Total</b>	<b>111</b>	<b>309</b>

#### 11.1 Provision for Warranty :

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and Management estimates regarding possible future incidences based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to one year.

As per the terms of the contracts, the Parent Company provides post-contract services / warranty support to its customers. The Parent Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Opening Balance	76	70
Provision during the year	45	58
Provision utilised during the year	(47)	(52)
<b>Closing Balance</b>	<b>74</b>	<b>76</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 12 TANGIBLE ASSETS

(₹ In Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK				
	Cost/ Valuation as at 01.04.2014	Additions during the year	Sales during the year	Other Adjustments during the year	Cost/ Valuation as at 31.03.2015	As at 01.04.2014	For the Year	On Sales/ Adjustments during the year	Transition adjustments recorded against surplus balance in statement of Profit & Loss	Other Adjustments during the year	As at 31.03.2015	As at 31.03.2014	
<b>Own Assets</b>													
Freehold Land	2,076 (2,056)	- (20)	- -	- -	2,076 (2,076)	- -	- -	- -	- -	- -	2,076 (2,076)	2,076	
Leasehold Land	451 (451)	- -	- -	- -	451 (451)	96 (88)	7 (8)	- -	- -	103 (96)	348 (355)	355	
Buildings	10,520 (10,276)	20 (226)	- -	- (18)#	10,540 (10,520)	1,356 (1,077)	426 (279)	- -	55 -	- -	1,837 (1,356)	8,703 (9,164)	9,164
Plant and Equipment	16,405 (14,259)	552 (2,117)	278 (141)	(170)#	16,679 (16,405)	7,385 (6,496)	1,341 (987)	111 (98)	163 -	- -	8,778 (7,365)	7,901 (9,020)	9,020
Furniture and Fixtures	1,797 (1,649)	70 (148)	- -	- -	1,867 (1,797)	953 (870)	280 (83)	- -	30 -	- -	1,263 (953)	604 (844)	844
Vehicles	863 (863)	251 (15)	3 (15)	- -	1,111 (863)	414 (347)	120 (80)	3 (13)	7 -	- -	538 (414)	573 (449)	449
Office Equipment	303 (282)	35 (21)	- -	- -	338 (303)	95 (76)	37 (19)	- -	1 -	- -	133 (95)	205 (208)	208
Sub total (A)	32,415 (29,836)	928 (2,547)	281 (156)	- (188)	33,062 (32,415)	10,299 (8,954)	2,211 (1,456)	114 (111)	256 -	- -	12,652 (10,299)	20,410 (22,116)	22,116
Assets Given On Operating Lease													
Plant and Equipment	8,537 (8,583)	3,784 (1,483)	1,503 (1,529)	- -	10,818 (8,537)	2,662 (2,050)	1,435 (1,395)	880 (783)	- -	- -	3,217 (2,662)	7,601 (5,875)	5,875
Sub total (B)	8,537 (8,583)	3,784 (1,483)	1,503 (1,529)	- -	10,818 (8,537)	2,662 (2,050)	1,435 (1,395)	880 (783)	- -	- -	3,217 (2,662)	7,601 (5,875)	5,875
Previous Year													
Total (A+B)	40,952 (38,419)	4,712 (4,030)	1,784 (1,685)	- (188)	43,880 (40,952)	12,961 (11,004)	3,646 (2,851)	994 (894)	256 -	- -	15,869 (12,961)	28,011 (27,991)	27,991
Previous Year													

# Refer note 12.3 below.

**12.1** Based on the valuation report submitted by the valuers appointed for the purpose, certain items of the Parent Company's fixed assets (viz. Freehold and Leasehold Land, Freehold and Leasehold Buildings and Plant and Equipment) were revalued on 31st March, 1993 after considering the following factors :

- The then estimated current market value pertaining to Leasehold Land and Freehold Land and Buildings thereon.
  - Value of Plant and Equipment based on their then current cost of replacement.
  - Adjustments for the then condition, the standard of maintenance, depreciation up to valuation date etc.
- The resultant revaluation surplus of ₹ 2,472 lakhs, arising from the aforesaid revaluation, were transferred to Revaluation Reserve as reflected in the Parent Company's annual accounts for 1992-93. Depreciation on these revalued assets as calculated in the manner includes an additional charge of Nil (Previous Year ₹ 15 lakhs) and an amount equivalent to the additional charge has been transferred to the Statement of Profit and Loss from Revaluation Reserve.

- 12.2** Ownership of a flat (cost ₹ 39 lakhs) belonging to the Parent Company in a Co-operative Housing Society is registered in the name of the Managing Director of erstwhile Spundish Engineering Limited
- 12.3** Other adjustments represents borrowing cost capitalised during the year Nil (Previous Year ₹ 115 Lakhs)
- 12.4** Capital Work in Progress includes borrowing costs ₹ 926 lakhs ( Previous Year ₹ 926 Lakhs)
- 12.5** Amounts in Bracket represent figures of Previous Years

### 13 INTANGIBLE ASSETS

( ₹ In Lakhs )

	GROSS BLOCK			AMORTISATION			NET BLOCK		
	Cost/ Valuation as at 01.04.2014	Additions during the year	Sales during the year	Cost/ Valuation as at 31.03.2015	As at 01.04.2014	For the Year	On Sales/ Adjustments during the year	As at 31.03.2015	As at 31.03.2014
(acquired items)									
Technical Know-how (Refer Note 13.1)	1,276 (1,276)	- -	- -	1,276 (1,276)	1,087 (1,019)	51 (68)	- -	1,138 (1,087)	138 (189)
Software	2,551 (100)	4 (2,451)	- -	2,555 (2,551)	342 (100)	331 (242)	- -	673 (342)	1,882 (2,209)
<b>Total</b>	<b>3,827</b> (1,376)	<b>4</b> (2,451)	<b>-</b> -	<b>3,831</b> (3,827)	<b>1,429</b> (1,119)	<b>382</b> (310)	<b>-</b> -	<b>1,811</b> (1,429)	<b>2,020</b> (2,399)
<b>Previous Year</b>									

**13.1** Technical Know-how [shown under Intangible Assets - Note 13] represents technical drawings, designs etc. relating to manufacture of the Company's products acquired pursuant to various agreements conferring the right to manufacture and usage only.

**13.2** Amounts in Bracket represent figures of Previous Years

**13.3** Details of Depreciation and Amortisation Expenses

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Depreciation of Tangible Assets	3,902	2,851
Amortisation of Intangible Assets	382	310
Less : Recoupment from revaluation reserve	-	(15)
Less : Depreciation Transferred to Reserve	(256)	-
Depreciation and Amortisation charged to Statement of Profit and Loss	4,028	3,146

**13.4** With effect from 1st April 2014 the Company and its Indian Subsidiary has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013.

Due to the above, depreciation charged for the year ended 31st March 2015 is higher by ₹ 558 lakhs, further based on transitional provision of Note 7(b) of Schedule II, an amount of ₹ 169 lakhs (net of Deferred Tax ₹ 87 lakhs) has been adjusted with the surplus in the Statement of Profit and Loss.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 14 NON CURRENT INVESTMENTS (At Cost)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Value (₹ in Lakhs)	Number	Value (₹ in Lakhs)
<b>Other Investments:</b>				
<b>Long - Term</b>				
<b>Quoted :</b>				
<b>Equity Instrument</b>				
<b>Eveready Industries India Limited</b> Shares of ₹ 5/- each fully paid	1,266	2	1,266	2
<b>McLeod Russell India Limited</b> Shares of ₹ 5/- each fully paid	1,266	2	1,266	2
<b>Bank of India</b> Shares of ₹ 10/- each fully paid	7,900	3	7,900	3
<b>Unquoted :</b>				
<b>Equity Instrument</b>				
<b>Myanmar Tractors Limited</b> (Refer Note 14.1 below) Shares of Kyats 1000 each fully paid (equivalent to US\$ 168.55 each)	602	13	-	-
<b>Debentures</b>				
<b>Woodlands Multispecialty Hospital Limited</b> 1/2 % Debentures of ₹ 100/- each fully paid	20	*	20	*
<b>Total</b>		20		7
Aggregate book value of investments				
Quoted		7		7
Unquoted		13		*
<b>Total</b>		20		7
Aggregate market value of quoted investments		22		23

\*Amount is below the rounding off norm adopted by the Company.

**14.1** Till 31st March 2014 the Company was a wholly owned Subsidiary, w.e.f. 30th December 2014, the Company ceased to be a subsidiary.

### 15 LONG TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Capital Advances	9,060	8,496
Security Deposits	288	215
Balance with Government Authorities	7	18
Employee Advances	8	14
<b>Total</b>	<b>9,363</b>	<b>8,743</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 16 OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Balances held as Margin Money	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

### 17 INVENTORIES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Raw Material and Components	7,812	6,585
Goods-in-Transit	1,111	1,182
	8,923	7,767
b. Work-in-Progress	4,582	4,646
	4,582	4,646
c. Finished Goods	1,767	3,546
	1,767	3,546
d. Stock-in-Trade	22,558	19,101
Goods-in-Transit	2,112	762
	24,670	19,863
e. Stores and Spares - Others	134	83
	134	83
f. Loose Tools	71	86
	71	86
<b>Total</b>	<b>40,147</b>	<b>35,991</b>

### 18 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
<b>Unsecured, Considered Good</b>	5,139	2,144
<b>Doubtful</b>	310	63
	5,449	2,207
Less : Provision for Doubtful Trade Receivables	(310)	(63)
	5,139	2,144
<b>Other Trade Receivables</b>		
<b>Unsecured, Considered Good</b>	24,074	24,968
<b>Total</b>	<b>29,213</b>	<b>27,112</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 19 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Cash in hand	10	17
Balance with Banks :		
In Current Accounts	3,658	4,295
In Dividend Accounts	22	22
In Fixed Deposits	112	104
Total Cash and Cash Equivalents (As per AS 3 Cash Flow Statements) (A)	3,802	4,438
Other Bank Balances :		
In Earmarked Accounts	-	-
Balances held as margin money	43	-
Total Other Bank Balances (B)	43	-
<b>Total (A + B)</b>	<b>3,845</b>	<b>4,438</b>

### 20 SHORT TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Claims Receivable	3,935	3,533
Accrued Duty Benefits pertaining to Exports/Deemed Exports	28	289
Employee Advances	55	64
Advance to Suppliers	1,474	1,284
Advance Income Tax [Net of Provision for Income Tax of ₹ 12,322 lakhs (Previous year ₹ 10,465 lakhs)]	899	951
MAT Credit Entitlement	623	744
Advance to Government Authorities	1,517	878
Deposits	348	363
Prepayments	428	536
	9,307	8,642
<b>Unsecured, Considered Doubtful</b>		
Security Deposit	48	14
Less: Provision for Doubtful Advances	(48)	(14)
	-	-
<b>Total</b>	<b>9,307</b>	<b>8,642</b>

### 21 OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Accrued interest on deposit	1	-
<b>Total</b>	<b>1</b>	<b>-</b>



## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 22 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Operating Income</b>		
<b>Sale of product</b>		
Finished Goods	32,696	29,178
Traded goods	96,511	90,037
<b>Sale of services</b>	16,495	9,155
	<b>145,702</b>	<b>128,370</b>
<b>Other Operating Income</b>		
Rental from Machinery	3,524	3,184
Selling Commission earned	426	1,680
Scrap Sales	212	199
Profit on Sale of Used Assets	308	249
	<b>4,470</b>	<b>5,312</b>
<b>REVENUE FROM OPERATIONS (GROSS)</b>	<b>150,172</b>	<b>133,682</b>
Less : Excise Duty	3,027	2,424
<b>REVENUE FROM OPERATIONS (NET)</b>	<b>147,145</b>	<b>131,258</b>

### 23 OTHER INCOME

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Interest :		
- On Income Tax Refunds	-	4
- On Deposit with Banks and Others	7	1
Dividend Income (Long Term Investments)	*	1
Profit/(Loss) on Sale of Fixed Assets (Net)	-	34
Liabilities no longer required written back	110	696
Bad-debt Recovered	-	4
Discounts	17	61
Gain on foreign currency transactions (net)	244	-
Miscellaneous Income	208	289
<b>Total</b>	<b>586</b>	<b>1,090</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 24 COST OF MATERIALS (INCLUDING COMPONENTS) CONSUMED (₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Materials Consumed	19,875	22,023
<b>Total</b>	<b>19,875</b>	<b>22,023</b>

### 25 PURCHASE OF STOCK-IN-TRADE (TRADED GOODS) (₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Purchase of Traded Goods	87,603	74,649
<b>Total</b>	<b>87,603</b>	<b>74,649</b>

### 26 CHANGES IN INVENTORIES (₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Inventories at the end of the year</b>		
Traded Goods	24,670	19,954
Work-in-Progress	4,582	4,646
Finished Goods	1,767	3,546
	<b>31,019</b>	<b>28,146</b>
<b>Inventories at the beginning of the year</b>		
Traded Goods	19,954	21,165
Work-in-Progress	4,646	3,997
Finished Goods	3,546	2,213
	<b>28,146</b>	<b>27,375</b>
Excise Duty on Increase / (Decrease) of Finished Goods	(184)	72
<b>Total Net (Increase)</b>	<b>(3,057)</b>	<b>(699)</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 27 EMPLOYEE BENEFITS EXPENSES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Salaries, Wages, Bonus etc.	13,395	11,535
Contribution to Provident and other Funds	1,660	820
Staff Welfare Expenses	538	431
Medical Expenses	325	267
<b>Total</b>	<b>15,918</b>	<b>13,053</b>

#### 27.1 Employee Benefits

The Group has recognised, in the Statement of Profit and Loss for the year ended 31st March 2015 an amount of ₹ 179 Lakhs (Previous year ₹ 169 Lakhs) as expenses under defined contribution plans.

##### Provident Fund :

The Company and its Indian Subsidiary has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. Based on the final guidance for measurement of Provident Fund liabilities issued by the Actuarial Society of India, the Company's liability at the year end of ₹ 327 lakhs (Previous Year ₹ 153 lakhs) has been actuarially determined by an independent authority. The Company has contributed for the year ended 31st March 2015 an amount of ₹ 513 lakhs (Previous year ₹ 464 lakhs) as Provident Fund.

The details of fund and plan asset position as at 31st March 2015 are given below:

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Present value of benefit obligation at year end (₹ In lakhs)	5,383	4,636
Cost of shortfall in interest rate guarantee (₹ In lakhs)	175	24
<b>Assumptions used in determining the present value obligation on the interest guarantee under the Deterministic approach</b>		
Guaranteed Rate	8.75%	8.75%
Average yield rate based on data of investment portfolio	8.29%	8.12%
Decrement adjusted average future period of service	22 years	21 years
Average maturity period of investment portfolio	2 years	3 years
Discount rate	7.90%	9.15%

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**27.2 (a)** Particulars pertaining to the post retirement defined benefit plans in respect of TIL Limited and its subsidiary - Tractors India Private Limited are as follows :

(₹ In Lakhs)

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>1. Reconciliation of the Opening and Closing balances of the Present Value of Obligation</b>				
a. Present Value of Obligation at the Beginning of the Year	1,980	2,151	1,076	1,061
b. Current Service Cost	66	96	118	116
c. Interest Cost	149	161	83	82
d. Curtailment Cost/(Credit)	-	-	-	-
e. Actuarial (gain)/loss	256	2	418	(36)
f. Benefits paid	(540)	(430)	(244)	(147)
g. Present Value of Obligation at the end of the Year	1,911	1,980	1,451	1,076
<b>2. Reconciliation of the Opening and Closing balances of the Fair Value of Plan Assets :</b>				
a. Fair Value of Plan Assets at the Beginning of the Year	2,108	2,152	1,068	1,148
b. Expected return on Plan Assets	169	167	92	89
c. Actuarial gain/(loss)	(61)	49	98	(47)
d. Contributions by the Employer	181	170	210	25
e. Benefits paid	(540)	(430)	(244)	(147)
f. Fair Value of Plan Assets at the end of the Year	1,857	2,108	1,224	1,068
<b>3. Reconciliation of the Present Value of Obligation and Fair Value of the Plan Assets :</b>				
a. Fair Value of Plan Assets at the end of the Year	1,857	2,108	1,224	1,068
b. Present Value of Obligation at the end of the Year	1,911	1,980	1,451	1,076
c. (Assets)/Liabilities recognised in the Balance Sheet	54	(128)	227	8
<b>4. Expenses recognised during the year :</b>				
a. Current Service cost	66	96	118	116
b. Interest cost	149	161	83	82
c. Expected return on Plan Assets	(169)	(167)	(92)	(89)
d. Curtailment Cost/(Credit)	-	-	-	-
e. Actuarial (Gain) / Loss	317	(47)	320	11
f. Expenses recognised during the year	363	43	429	120

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**27.2 (a)** Particulars pertaining to the post retirement defined benefit plans in respect of TIL Limited and its subsidiary - Tractors India Private Limited are as follows (Contd.) :

(₹ In Lakhs)

Description	Superannuation Fund (Funded)					Gratuity Fund (Funded)				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
a. Present Value of Obligation at the end of the Year	1,911	1,980	2,151	2,271	1,995	1,451	1,076	1,061	1,018	859
b. Fair Value of Plan Assets at the end of the Year	1,857	2,108	2,152	2,276	1,995	1,224	1,068	1,148	1,041	779
c. (Assets)/Liabilities recognised in the Balance Sheet	54	(128)	(1)	(5)	-	227	8	(87)	(23)	81
d. Experience Adjustments on Plan Obligation [(Gain) /Loss]	183	31	(40)	391	168	70	(4)	(20)	142	235
e. Experience Adjustments on Plan Assets[Gain/(Loss)]	(61)	49	21	3	5	98	(47)	4	(3)	(7)

Description	Superannuation Fund % Invested		Gratuity Fund % Invested	
	31.03.15	31.03.14	31.03.15	31.03.14
<b>Investment Details of Plan Assets as at</b>				
a. Govt of India Securities	23.90	25.47	29.80	25.88
b. Public Sector ( PSU )Bonds	45.94	48.74	31.38	32.21
c. State / Central Govt Securities	14.14	11.72	19.17	21.16
d. Special Deposit Scheme	16.02	14.07	19.65	20.75
e. Other including Bank Balance	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Assumptions</b>				
a. Discount rate per annum	7.75%	8.75%	7.75%	8.75%
b. Salary escalation rate per annum	5.75%	4.00%	5.75%	4.00%
c. Expected rate of return on Plan Assets per annum	8.64%	8.75%	8.39%	8.75%
d. Method used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
Actual Return on Plan Assets	7.21%	10.18%	12.93%	3.87%

**27.2 (b)** The basis used to determine overall expected rate of return on assets and the effect on major categories of Plan Assets is as follows :

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

**27.2 (c)** The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 28 FINANCE COSTS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Interest Expenses	7,729	6,856
Other Borrowing Costs	1,044	330
<b>Total</b>	<b>8,773</b>	<b>7,186</b>

### 29 OTHER EXPENSES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Consumption of Stores	729	524
Power and Fuel	607	564
Rent	904	814
Repairs :		
Buildings	306	223
Plant and Machinery	164	242
Others	770	851
	1,240	1,316
Insurance	414	402
Rates and Taxes	170	192
Bank Charges	642	605
Travelling Expenses	2,208	1,997
Stationery and Printing	158	134
Postage, Telephone and other Communication Expenses	362	319
Advertising	351	296
Commission	162	212
Packing and Forwarding	257	151
Royalties	240	216
Professional Fees	1,341	1,550
Motor Car and Van Expenses	267	210
Service Support Expenses	19	15
Trade Receivables/Advances/Claims written off	149	295
Provision for doubtful trade receivables	281	77
Carriage Inward	520	420
Warranty Expenses	46	58
Loss on Sale of Fixed Assets (Net)	76	-
Miscellaneous Expenses	1,232	1,156
<b>Total</b>	<b>12,375</b>	<b>11,523</b>

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 29.1 Professional fees include :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Amount paid /payable to Auditors</b>		
<b>As Auditors (Net of Service Tax)</b>		
- For Audit Fees	30	30
- For Taxation Matters	6	4
- For Limited Reviews	9	9
- For Certification Fees	13*	10
- Expenses Reimbursed	3**	2

\* Includes payment to erstwhile Auditors ₹ 3 lakhs

\*\* Paid to erstwhile Auditors ₹ 2 lakhs

**30** The Group has various residential / commercial premises taken under cancellable operating lease. Leases range for periods between 3 to 5 years. Terms of the lease include operating term for renewal, increase in rent for future periods, terms of cancellation etc. The operating lease payments for the year amount to ₹ 468 lakhs (Previous Year ₹ 497 lakhs).

### 31 CONTINGENT LIABILITIES IN RESPECT OF

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Sales Tax Matters under dispute [Related payments ₹ 79 lakhs (Previous year ₹ 80 lakhs)]	3,385	3,128
b. Income Tax Matters under dispute [Excludes disputed Income Tax matters, in view of favourable Tribunal decision in similar case] [Related payments ₹ 293 lakhs (Previous year ₹ 118 lakhs)]	1,820	1,330
c. Service Tax matters under dispute [Related payments ₹ 43 lakhs (Previous year ₹ 42 lakhs)]	3,685	3,657
d. Excise Duty matters under dispute [Related payments ₹ 33 lakhs (Previous year ₹ 33 lakhs)]	68	68
e. Bill discounting with Banks	-	1,492
f. Others	-	6

The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and result of operations.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

- 32.1** Based on legal proceedings initiated by the Employees' Union / Association and the interim order of the Hon'ble Calcutta High Court dated 22nd December 2006 and 18th April 2007 restraining the Company from making any contribution / deduction towards Employees' State Insurance in respect of its Kamarhatty (with effect from October, 2006) and Taratolla (with effect from March, 2007) units, in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime) are between ₹ 7,501 and ₹ 10,000, no contributions / deductions have been made and deposited with the appropriate authorities. The related amounts involved as on 31st March 2015 being Employer's ₹ 4 lakhs (Previous Year ₹ 4 lakhs) and Employees' ₹ 1 lakh (Previous Year ₹ 1 lakh).
- 32.2** Consequent to enhancement of Employees' State Insurance benefit ceiling for 'Employee Wages' from ₹ 10,000 to ₹ 15,000 per month with effect from 1st May 2010, legal proceedings have been initiated by the Employees' Union / Association of the Company and an interim order dated 13th August 2010 has been issued by the Hon'ble Calcutta High Court in this regard, restraining the Company from making contribution / deduction towards Employees' State Insurance in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime ) are between ₹ 10,001 and ₹ 15,000. In view of the said Order, the Company has neither deducted from the certain concerned employees nor contributed its own share to the Employees State Insurance Scheme with effect from 1st August 2010, the related amounts involved as on 31st March 2015 being Employer's ₹ 3 lakhs (Previous Year ₹ 3 lakhs) and Employees' ₹ 1 lakh (Previous Year ₹ 1 lakh).
- 33** Pursuant to a stay order obtained by the Company from the Hon'ble High Court, the Company has stopped paying further Tax on imported goods into West Bengal, with effect from 1st January 2013. The related unpaid amount till 31st March 2015 is ₹ 792 lakhs (Previous Year ₹ 395 lakhs).

## 34 CORPORATE GUARANTEE GIVEN ON BEHALF OF SUBSIDIARIES ( ₹ In Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
<b>- Limit</b>		
Tractors India Private Limited	53,015	60,840
TIL Overseas Pte. Limited	9,600	9,600
<b>- Amount outstanding at year-end</b>		
Tractors India Private Limited	34,735	41,077
TIL Overseas Pte. Limited	8,835	8,451



## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 35 CAPITAL COMMITMENT

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Commitment [Net of advance ₹ 171 lakhs (Previous year ₹ 145 lakhs)]	136	162
Other Commitments [(a) and (b) below]	28,912	13,201

- (a) Includes orders placed for procuring Caterpillar products viz Machines, Engines, Parts etc. ₹ 28,223 lakhs (Previous year - ₹ 10,696 lakhs)
- (b) Pursuant to the Master Asset Purchase Agreement (MAPA) signed between Tractors India Private Limited and Bucyrus India Pvt. Ltd. on November 1, 2013, Tractors India Private Limited has committed to pay an estimated amount of ₹ 3000 Lakhs, towards procurement of certain assets mainly inventory. Till the Balance Sheet date Tractors India Private Limited has purchased inventory from Bucyrus India Pvt. Ltd. valued at ₹ 2,311 lakhs (Previous year ₹ 495 lakhs)

### 36 Information given in accordance with the requirements of Accounting Standard 17 on "Segment Reporting"

The Group's business segments are organised on product lines as follows:

- Material Handling Solutions (MHS) - engaged in manufacturing and marketing of various Material Handling Equipment namely Mobile Cranes, Port Equipment (Reachstacker, Level Luffing Cranes), Road Construction Equipment, Self Loading Truck Cranes etc. and dealing in Spares and providing Services to related equipments.
- Construction and Mining Solutions (CMS) - engaged as a dealer for Caterpillar Inc. USA for their Earthmoving, Construction Mining Equipment, Spares etc. and providing related Services in Eastern and Northern India, Bhutan and Nepal.
- Power Systems Solutions (PSS) - engaged in assembly, supply, erection and commissioning of Generating Sets powered by Caterpillar Engines and dealing in Spares and providing related Services in Eastern and Northern India, Bhutan and Nepal.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 36.1 Information about primary segments - Business Segments

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015				
	MHS	CMS	PSS	ELIMINATION	TOTAL
<b>Gross External Revenue</b>	<b>34,518</b>	<b>89,925</b>	<b>25,729</b>	-	<b>150,172</b>
	(30,438)	(72,810)	(30,434)	-	(133,682)
<b>Less : Excise Duty</b>	<b>2,363</b>	-	<b>664</b>	-	<b>3,027</b>
	(1,688)	-	(736)	-	(2,424)
<b>Net External Revenue</b>	<b>32,155</b>	<b>89,925</b>	<b>25,065</b>	-	<b>147,145</b>
	(28,750)	(72,810)	(29,698)	-	(131,258)
<b>Inter Segment Revenue</b>	<b>13</b>	<b>828</b>	<b>26</b>	<b>(867)</b>	<b>-</b>
	(1)	(22)	(33)	(56)	-
<b>Total Revenue from Operations</b>	<b>32,168</b>	<b>90,753</b>	<b>25,091</b>	<b>(867)</b>	<b>147,145</b>
	(28,751)	(72,832)	(29,731)	(56)	(131,258)
<b>Segment Results</b>	<b>954</b>	<b>8,518</b>	<b>598</b>	-	<b>10,070</b>
	(3,141)	(3,253)	(1,169)	-	(7,563)
Add(+)/(Less)(-): Unallocated income					586
net off unallocated expense(+)					(1,090)
[Unallocated expense net off unallocated income(-)]					
<b>Finance Costs</b>					<b>8,440</b>
					(7,186)
<b>Profit before tax</b>					<b>2,216</b>
					(1,467)
	<b>MHS</b>	<b>CMS</b>	<b>PSS</b>	<b>UNALLOCABLE</b>	<b>TOTAL</b>
<b>Other Segment Information :</b>					
<b>Depreciation and Amortisation</b>	<b>1,569</b>	<b>1,506</b>	<b>348</b>	<b>605</b>	<b>4,028</b>
	(986)	(1,264)	(474)	(422)	(3,146)
<b>Non Cash Expenses other than</b>	<b>324</b>	<b>76</b>	<b>30</b>	-	<b>430</b>
<b>Depreciation and Amortisation</b>	(173)	(101)	(98)	-	(372)
<b>Segment Assets</b>	<b>51,898</b>	<b>43,713</b>	<b>16,482</b>	<b>14,463</b>	<b>126,556</b>
	(53,244)	(34,805)	(16,681)	(14,970)	(119,700)
<b>Segment Liabilities</b>	<b>8,574</b>	<b>14,802</b>	<b>4,267</b>	<b>65,931</b>	<b>93,574</b>
(excluding Shareholders' Funds)	(8,733)	(8,163)	(4,566)	(61,826)	(83,288)
<b>Capital Expenditure</b>	<b>185</b>	<b>3,932</b>	<b>330</b>	<b>517</b>	<b>4,964</b>
	(543)	(2,020)	(318)	(920)	(3,801)

Previous year's figures in bracket.

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 36.2 Information about secondary segments - Geographical Segments

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Revenue</b>		
India	138,145	125,764
Outside India	9,000	5,494
<b>Total</b>	<b>147,145</b>	<b>131,258</b>
<b>Assets</b>		
India	109,282	103,313
Outside India	2,978	1,417
<b>Total</b>	<b>112,093</b>	<b>104,730</b>
<b>Capital Expenditure</b>		
India	4,425	2,880
Outside India	22	1
<b>Total</b>	<b>4,447</b>	<b>2,881</b>

### 37 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:

(₹ In Lakhs)

Particulars		Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Profit after Tax attributable to the Equity Shareholders (₹ Lakhs)</b>	<b>A</b>	472	993
i. Number of Equity Shares at the beginning of the year		10,030,265	10,030,265
ii. Number of Equity Shares issued during the year		-	-
iii. Number of Equity Shares at the end of the year		10,030,265	10,030,265
iv. Weighted average number of Equity Shares outstanding during the year	<b>B</b>	10,030,265	10,030,265
v. Nominal Value of each Equity Share (₹)		10/-	10/-
<b>Basic and Diluted Earnings per Share (₹)</b>	<b>A/B</b>	<b>4.71</b>	<b>9.90</b>

### 38 Related Party Disclosure in keeping with Accounting Standard 18 on "Related Party Disclosures".

#### A) List of Related Parties

Key Management Personnel

Mr. S. Mazumder (Chairman & Managing Director)  
Mr. Alope Banerjee (President and Chief Financial Officer)  
Mr. Somnath Bhattacharjee (President and Chief Executive Officer)  
Mr. Sekhar Bhattacharjee (Company Secretary)

Enterprises over which  
Key Management Personnel are able  
to exercise significant influence

TIL Welfare Trust

## Notes to Consolidated Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### B) Particulars of transactions during the year ended 31st March 2015 :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Key Management Personnel</b>		
a) Remuneration -		
Mr. A. Mazumdar	42#	482*
Mr. S. Mazumder	333	411**
Mr. Alope Banerjee	99	90
Mr. Somnath Bhattacharjee	165	150
Mr. Sekhar Bhattacharjee	36	30
b) Year end balance		
Payable (Mr. S. Mazumder)	197	-
c) Enterprises over which Key Management Personnel are able to exercise significant influence		
Donations	71	31

# Payments made for April 2015 and May 2015.

\* Includes ₹ 226 lakhs pertaining to 2012-13 paid during the year against Central Government approval dated 18th November 2013.

\*\* Includes ₹ 127 lakhs pertaining to 2012-13 paid during the year against Central Government approval dated 18th November 2013.

### 39 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
TIL Limited	43.36%	14,307	(471.19%)	(2,224)
Subsidiaries				
Indian				
Tractors India Private Limited	52.29%	17,255	792.80%	3,742
Foreign				
Tractors Nepal Private Limited	1.61%	532	27.33%	129
TIL Overseas Pte. Limited	2.74%	903	(248.94%)	(1,175)

40 Previous year figures have been regrouped and rearranged wherever required to conform with current year classification.

#### Signatures to Notes '1' to '40'

<p>Kolkata 29th May 2015</p>	<p>For and on behalf of Board of Directors Sumit Mazumder Chairman &amp; Managing Director Sekhar Bhattacharjee Company Secretary Alope Banerjee President and Chief Financial Officer</p>
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## STATEMENT REGARDING SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013.

Name of the Company	Tractors India Pvt. Ltd. (TIPL)	Tractors Nepal Pvt. Ltd. (TNPL)	TIL Overseas Pte. Ltd. (TILO)
<b>Financial Year Ending of the Subsidiary</b>	<b>31st March</b>	<b>15th July</b>	<b>31st March</b>
The Company's Interest in the subsidiary as on 31st March 2015:			
a) No. of Equity Shares	4,500,000	120,000	107,577
b) Face Value	₹ 10	NPR 100	S\$ 10
c) Extent of Holding	100%	100%	100%
Net Aggregate Profit/(Loss) of the Subsidiary Company so far as it concerns the Members of the Company:-			
A) For the financial year ended on 31st March 2015:			
i) Not dealt with in the Books of Accounts of the Company	₹ (Lakhs) 3,667	NPR 122,37,950	US\$ (6,04,612)
	(100% of the PAT)	(100% of the PAT)	(100% of the PAT)
ii) Dealt with in the Books of Accounts of the Company	Nil	Nil	Nil
B) For the Subsidiary Company's previous financial years since it became a subsidiary:			
i) Not dealt with in the Books of Accounts of the Company	₹ (Lakhs) 3,270	NPR 554,86,926	US\$ 25,80,300
	(100% of the PAT)	(100% of the PAT)	(100% of the PAT)
ii) Dealt with in the Books of Accounts of the Company	Nil	Nil	Nil

### Notes :

- All Equity Shares are fully paid up.
- There are no material changes between the end of the applicable Financial Year of the subsidiary and that of the holding company, other than those reflected in the Accounts of TIL Limited.

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman & Managing Director  
Aloke Banerjee  
President and Chief Financial Officer  
Sekhar Bhattacharjee  
Company Secretary

# CORPORATE INFORMATION

## TRACTORS INDIA PVT. LTD.

### BOARD OF DIRECTORS

**Mr. Sumit Mazumder**

*Chairman*

**Mr. Sunil Kr. Chaturvedi**

*Managing Director & CEO*

**Mr. Alope Banerjee**

*Director - Finance*

**Dr. T. Mukherjee**

*Non-Executive Non-Independent Director*

**Mr. R. L. Gaggar**

*Non-Executive Independent Director  
(With effect from 26th March 2015)*

**Ms. Veena Hingarh**

*Non-Executive Independent Director  
(With effect from 26th March 2015)*

### BOARD COMMITTEES

#### AUDIT COMMITTEE

*Members:*

Ms. Veena Hingarh - Chairperson

Mr. R.L. Gaggar

Dr. T. Mukherjee

#### NOMINATION & REMUNERATION COMMITTEE

*Members:*

Dr. T. Mukherjee - Chairperson

Mr. R. L. Gaggar

Ms. Veena Hingarh

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

*Members:*

Mr. Sumit Mazumder

Mr. Sunil Kr. Chaturvedi

Mr. Alope Banerjee

Dr. T. Mukherjee

### STATUTORY AUDITORS

Deloitte Haskin & Sells

### SECRETARIAL AUDITORS

T. Chatterjee & Associates

### BANKERS

Bank of India

Union Bank of India

ING Vysya Bank Ltd.

State Bank of Bikaner & Jaipur

State Bank of India

State Bank of Hyderabad

Axis Bank Ltd.

Citi Bank N.A.

HDFC Bank Ltd.

DBS Bank Ltd.

### REGISTERED OFFICE

1, Taratolla Road, Garden Reach

Kolkata 700 024

Telephone : (033) 2469 3732 - 36 (5 Lines)

(033) 6633 2000 / 2845

Fax: (033) 2469 2143 / 3731

E-mail : [secretarial.department@tilindia.com](mailto:secretarial.department@tilindia.com)



TRACTORS INDIA PVT. LTD.  
**DIRECTORS'  
REPORT**

Your Directors have pleasure in presenting the 20th Annual Report and Audited Accounts for the year ended 31st March 2015 as under:

## FINANCIAL RESULTS

(₹ / Crs.)

	For the year ended	
	31.03.2015	31.03.2014
Profit for the year after meeting all expenses but before charging Depreciation and Finance Cost	125.75	74.06
Less: Finance Cost	49.00	42.21
Depreciation	22.50	20.16
<b>Profit Before Tax</b>	<b>54.25</b>	<b>11.69</b>
Tax Provision		
a) Current Tax	19.71	0.60
b) Deferred Tax (Credit)/Charge	(2.31)	3.19
<b>Profit After Tax</b>	<b>36.67</b>	<b>7.90</b>
<b>Balance Carried Forward</b>	<b>36.67</b>	<b>7.90</b>



## PERFORMANCE

The Company achieved a turnover including income from operations and other income of ₹ 1147.24 Crs. compared to ₹ 1014.44 Crs. in the previous year. Profit before tax stood at ₹ 54.25 Crs. compared to ₹ 11.69 Crs. in the previous year.

## FINANCE

Reserves & Surplus of the Company increased from ₹ 124.47 Crs. to ₹ 160.72 Crs. and the Shareholders' Funds increased from ₹ 128.97 Crs. to ₹ 165.37 Crs.

## DEPOSIT

The Company has not accepted any deposits from the public during the year.

## BOARD OF DIRECTORS

The Board of your Company consists of the following Directors:

NAME OF DIRECTORS	DESIGNATION	DIN
Mr. Sumit Mazumder	Executive Chairman	00116654
Mr. Sunil Kumar Chaturvedi	Managing Director & CEO	02183147
Mr. Alope Banerjee	Director-Finance	00609491
Dr. T. Mukherjee	Non-Executive Director	00004777
Mr. R. L. Gaggar	Non-Executive Independent Director	00322904
Ms. Veena Hingarh	Non-Executive Independent Director	00885567

During the year, Mr. Sumit Mazumder (DIN 00116654) was re-appointed as a Whole-time Director and Executive Chairman of the Company for a period of 5 years with effect from 1st April 2015. Mr. Alope Banerjee (DIN 00609491) has also been re-appointed as a Whole-time Director designated as Director-Finance of the Company by the Board of Directors at their Meeting held on 29th May 2015 for a term of 5 years with effect from 1st April 2015. Mr. Banerjee's re-appointment is subject to approval of the Shareholders at the ensuing Annual General Meeting. A resolution proposing the reappointment of Mr. Alope Banerjee forms a part of the Notice convening the 20th Annual General Meeting. Mr. Banerjee shall be liable to retire by rotation.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. R. L. Gaggar (DIN 00322904), Advocate, has been appointed as a Non-Executive Independent Director of the Company with effect from 26th March 2015 for a term of one year. The Company has also appointed Ms. Veena Hingarh (DIN 00885567), Chartered Accountant as a Non-Executive Independent Director of the Company with effect from 26th March 2015 for a term of one year. In accordance with the provisions of Section 150 of the Companies Act, 2013, appointment of Independent Directors are subject to approval of the Shareholders of the Company and accordingly resolutions proposing appointment of Mr. R. L. Gaggar and Ms. Veena Hingarh forms part of the Notice convening the 20th Annual General Meeting. Pursuant to the provisions of Section 149 of the Companies Act, 2013, Non-Executive Independent Directors are not liable to retire by rotation.

Mr. Sunil Kumar Chaturvedi retires by rotation and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

As per the disclosure received from the directors, none of the directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013.

The Independent Directors have furnished required declaration as provided in Section 149(7) of the Companies Act, 2013 regarding their independence.



## Formal Annual Evaluation of the Board

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive and Non-Executive Directors including that of the Board as a whole. The Committee has already reviewed the performance of the Directors and the Board for the year under review. The evaluation was done primarily through a questionnaire duly completed by all Directors providing specific rating for other Directors and also the Board as a whole.

## Board Meetings

The Board of Directors met seven times during the financial year 2014-15 on 5th May 2014, 20th May 2014, 28th July 2014, 25th October 2014, 28th November 2014, 5th February 2015 and 26th March 2015. The Company has held at least one Board Meeting in every three months and the maximum time gap between any such two meetings was less than one hundred and twenty days. The details of the Board meetings are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	5th May 2014	4	4
2.	20th May 2014	4	4
3.	28th July 2014	4	4
4.	25th October 2014	4	4
5.	28th November 2014	4	3
5.	5th February 2015	4	4
6.	26th March 2015	6	6

## SHARE CAPITAL

During the year under review, the Company has issued 15,00,000 Optionally Convertible Preference Shares of ₹ 10/- each at a partly paid up value of ₹ 1/- per share aggregating to ₹ 15,00,000/- by way of private placement.

There has been no buy-back of shares by the Company during the year 2014-15. The Company does not have any stock option plan for employees.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and Clause 49(III)(D)(4)(a) of the listing agreement with Stock Exchanges in the preparation of the annual accounts for the year ended on 31st March 2015 and state that :

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being in dealership business, does not have any policy to give loans, directly or indirectly, to any person or to other body corporates or give any guarantee or provide any security in connection with a loan to any other body corporate except for its Holding Company. The Company also does not make any investment in securities of any other body corporate.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Subject to any disclosure in the financial section thereof, the Company has not entered into any contract or arrangement with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

## HUMAN RESOURCE

The total number of employees of the Company as on 31st March 2015 was 2,165.

Your Company believes that employees are the most valuable assets of an organization and the optimum utilization of the skill, knowledge and attitude they possess are instrumental to the growth of the organization. Your Company has lived and encouraged Meritocracy, Entrepreneurship, Teamwork and Performance driven culture which is clearly reflected in its policies.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements under 'The Sexual Harassment of Women at Workplace' (Prohibition, Prevention and Redressal) Act, 2013. A Committee has been constituted with effect from 1st April 2015 to administer the Policies as prescribed under the said Act which shall operate for both the Company and its holding company TIL Limited. In terms of the said Act, the Committee is being headed by Ms. Shilpa Chakravarty (Head - Knowledge Resource Management), together with other members being employees of the Group namely, Mr. Sekhar Bhattacharjee (Legal), Mr. Neeraj Chhabra (Marketing) and Ms. Sampa Bhowmick (Knowledge Resource Management) together with Ms. Chama Mukherjee, an accomplished lawyer who is the External Member of the Committee. The primary objective of the Committee shall be to develop awareness amongst all the employees at different locations.

No complaint has been received by the Committee since its formation.

## AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the relevant Rules framed thereunder, an Audit Committee of the Board has been constituted on 26th March 2015 comprising two Non-Executive Independent Director namely, Ms. Veena Hingarh (Chairperson) and Mr. R. L. Gaggar (Member) and one Non-Executive Director namely, Dr. T. Mukherjee (Member).

All members of the Audit Committee are financially literate, and Ms. Veena Hingarh, Chairperson, is a Chartered Accountant and has related financial management expertise by virtue of her background and vast experience gained over the years.

The terms of reference of the Committee, inter alia, includes

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company
- (ii) review and monitor the auditors' independence and performance, and effectiveness of audit process
- (iii) examination of the financial statement and the auditors' report thereon
- (iv) approval or any subsequent modification of transactions of the company with related parties
- (v) scrutiny of inter-corporate loans and investments
- (vi) valuation of undertakings or assets of the company, wherever it is necessary

- (vii) evaluation of internal financial controls and risk management systems
- (viii) monitoring the end use of funds raised through public offers and related matters.

No meeting of the Committee was held during the year.

### Vigil Mechanism

The Company has established a vigil mechanism for Directors and Employees by adopting a Whistle Blower Policy which is available on the website of the Company (weblink <http://www.tiplindia.in/wbpolicy.html>).

## NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Companies Act, 2013 read with the relevant Rules framed thereunder, the "Remuneration Committee" constituted by the Board on 30th March 2010 has been reconstituted and renamed as "Nomination and Remuneration Committee" of the Board of Directors of the Company with effect from 26th March 2015 comprising Dr. T. Mukherjee as Chairperson and Mr. R. L. Gaggar and Ms. Veena Hingarh as Members.

The terms of reference of the Committee, inter alia, includes (a) formulation of policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees and recommending the same to the Board (b) identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria as per the policy approved by the Board (c) carry out evaluation of every Director's performance and recommend to the Board his/her appointment and removal based on the performance and (d) ensure that the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks and involves a balance between fixed and incentive pay.

The Company's Remuneration Policy is available on the Company's website [www.tiplindia.in](http://www.tiplindia.in) and is also attached as Annexure I and forms part of this Report.

## ADOPTION OF CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

A Corporate Social Responsibility (CSR) Policy has been adopted by the Board at its meeting held on 5th February 2015 and is available on the Company's website (weblink <http://www.tiplindia.in/csrpolicy.html>). The Policy is attached as Annexure II and forms a part of this Report.

The Committee has met once on 26th March 2015 during the year. All the Members of the Committee were present at the Meeting.

## CSR ACTIVITIES

CSR is an integral part of your Company's Vision. Corporate Social Responsibility is not just a commitment or compulsion for the Company rather a matter of pleasure and satisfaction.

Among other activities, your Company carried out a few special CSR initiatives for the year under review:

- TIL Shishu Shiksha Vikas Yojna (Scholarship Program) : Knowledge overcomes all obstacles. Your Company runs sustained annual scholarship program for the underprivileged children called TIL Shishu Shiksha Vikas Yojna in West Bokaro-SEB in Jharkhand. The highlight of this program is education of children, with special emphasis on girl child, and ensuring continuity of studies till the 12th standard. So far, 59 students are benefiting from this initiative.
- Sponsoring "Kartavya" : Your Company sponsors 20 slum children in Dhanbad through the 'Kartavya' initiative, a project run by students of Indian Institute of Mines, Dhanbad .

A detailed report on CSR Activities carried out by the Company during the year ended 31st March 2015 is attached as Annexure III and forms a part of this Report.

## RISK MANAGEMENT POLICY

The Company has in place mechanisms to inform the Board Members about the risk assessment and minimisation procedures and periodical review by the Board is being done to ensure that management controls risk through means of a properly defined framework.

## STATUTORY AUDITORS

The Statutory Auditors of the Company, Messrs. Deloitte Haskins & Sells (FRN : 302009E), Chartered Accountants, Kolkata, hold office till the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. The Audit Committee and the Board of Directors recommends the re-appointment of Messrs. Deloitte Haskins & Sells (FRN : 302009E), Chartered Accountants, Kolkata as the Auditors of the Company for the financial year 2015-16 till the conclusion of the next Annual General Meeting. The re-appointment proposed is within the time frame for transition under the third proviso to sub-section (2) of Section 139 of the Companies Act, 2013.

## STATUTORY AUDITORS' REPORT

The Auditors' Report does not contain any qualifications. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and, therefore, does not call for any further comment under Section 134 of the Companies Act.

## SECRETARIAL AUDITOR

On the recommendation of the Audit Committee, the Board of Directors of the Company has appointed Messrs. T. Chatterjee and Associates, Practicing Company Secretaries (PCS Registration No. 6935 ) as the Secretarial Auditor of the Company for the financial year 2015 - 16, in terms of the provisions of Section 204 of the Companies Act, 2013. Messrs. T. Chatterjee and Associates have given their consent to the proposed reappointment.

## SECRETARIAL AUDIT REPORT

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Mr. T. Chatterjee of Messrs. T. Chatterjee and Associates, Practicing Company Secretaries, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is attached as Annexure IV and forms a part of this Report. There are no qualifications or observations or remarks in the Secretarial Audit Report.

## COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, as amended, the products manufactured by the Company and falling under the specified Central Excise Tariff Act heading, are covered under the ambit of mandatory cost audits from the financial years commencing on or after 1st April 2015. The Audit Committee recommended and the Board of Directors appointed Messrs. D. Radhakrishnan & Co., Cost Accountants, 11, Dover Lane, Kolkata (FRN: 00018) as the Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company falling under the specified Central Excise Tariff Act heading, for the financial year 2015-16. The Company has received consent from Messrs. D. Radhakrishnan & Co. for their appointment.

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure V and forms a part of this Report.

## ENVIRONMENT

Your Company remains committed to following a focused approach towards making the environment a better place for our future generations.

Beside using products and services such as contamination control and rebuild initiatives that reduce negative impacts on environment, every year during the World Environment Day, to make the world a greener place to live in, your Company carries out tree plantation activities, 'own a sapling' program for its employees across most of its locations.

## EXTRACT OF ANNUAL RETURN

The Extract of the Annual Return in Form No. MGT-9 is attached as Annexure VI and forms part of this report.

## CODE OF CONDUCT

The Board of Directors at their meeting held on 26th March 2015 has adopted a Code of Conduct applicable to all the employees of the Company including the Directors which available on the Company's website (weblink <http://www.tiplindia.in/code.html>).

## ANNEXURES FORMING A PART OF THIS REPORT OF THE DIRECTORS

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and forms a part of this Report of the Directors:

ANNEXURE	PARTICULARS
I	Appointment & Remuneration Policy
II	Corporate Social Responsibility (CSR) Policy
III	Corporate Social Responsibility (CSR) Report
IV	Secretarial Audit Report
V	Prescribed Particulars on Conservation of Energy, Foreign Exchange earnings and outgo, etc.
VI	Extract of Annual Return

## ACKNOWLEDGEMENTS

The Directors place on record their sincere gratitude towards the Customers, Principals, Shareholders, Banks, Financial Institutions and Government Authorities for their continuous co-operation and support to the Company. Although the year under review was very challenging and difficult, the Directors thank its employees for their continued good efforts.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman

## ANNEXURE I

# APPOINTMENT & REMUNERATION POLICY

Tractors India Private Limited ('the Company') already has in place a comprehensive appointment & remuneration policy for all employees under the Employees Handbook Policy. However, in terms of the provisions of the Companies Act, 2013 read with other applicable provisions, the Nomination & Remuneration Committee of the Board of Directors have framed and implemented a similar policy relating to appointment & remuneration of Executive & Non-Executive Directors, Key Managerial Personnel (KMP) and other Senior Employees.

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises Non-executive Directors of the Company with Independent Directors forming a majority and is in compliance with the provisions of the Companies Act, 2013. The Chairperson of the Board of Directors may be a member of this Committee but will not Chair any meeting of this Committee.

The Committee, constituted by the Company on 30th March 2010 was reconstituted by the Board at its meeting held on 26th March 2015 in accordance with the provisions of Section 178 of the new Companies Act, 2013 adopting standard terms of reference.

## ROLE AND RESPONSIBILITIES

The Committee ensures the following:

- a) Appointments are made on merit, against objective criteria, selecting the best candidate for the position;
- b) Reviews superannuation's from the Board/Committees and/or from the Company;
- c) Advice and ensure proper succession plan for KMPs and Senior Employees;

## CRITERIA FOR APPOINTMENT AND INDEPENDENCE OF DIRECTORS

The Committee draws up a specification for the role considering the requirement, balance of skills, knowledge and experience of its existing members and the diversity of the Board. The recruitment process then focuses on appointing candidates who meet the criteria, who have the relevant knowledge, skill, qualifications and experience along with proven track record. Successful candidates are likely to have demonstrable leadership qualities and interpersonal communication skills, act with integrity and have adequate business exposure. It is also ensured that the proposed appointees have sufficient time available to devote to the role, are compliant with the rules, policies and values of the Company and do not have any conflicts of interest.

## REMUNERATION POLICY

The Committee's philosophy design and implement a compensation policy to attract, retain and motivate individuals who have the ability to successfully implement the Company's business strategy. The compensation policy must also cover variable pay plans to encourage enhanced performance. To drive a high performance culture, a meaningful portion of compensation is performance linked.

### a) Remuneration Policy for Non-executive Directors

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or its Committees at rates which are within the limits prescribed under the Companies Act, 2013. They are also entitled to commission on net profits, as determined by the Board from time to time, not exceeding 1% of the net profits of the Company for that year. The level of remuneration is set to attract and retain Non-executive Directors of the necessary skill and experience by offering them market competitive remuneration.

Non-executive Directors do not participate in Board discussions which relate to their own remuneration. They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other ad hoc meetings. None of the Non-executive

Directors is entitled to receive compensation for loss of office at any time or participate in any bonus scheme, share plans or retirement plans.

Non-executive Independent Directors are appointed in compliance with the provisions of the Companies Act, 2013 and must adhere to the Code for Independent Directors laid down under Schedule IV to the Companies Act, 2013 and retain their independence during the entire tenure of appointment as an Independent Director. The terms of service of Non-executive Independent Directors are contained in letters of appointment issued to them after their appointment at a general meeting of the Company.

Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

#### **b) Remuneration Policy for Executive Directors**

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain Executive Directors of the necessary skill and experience by offering them market competitive remuneration reflecting their individual experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration normally effective from 1st April of each year. In considering any increase in base salary the Committee will mainly consider the role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness.

The total remuneration package is designed to provide an appropriate balance between fixed and variable components with focus on long term variable pay so that strong performance is anticipated but without encouraging excessive risk taking.

Executive Directors are not entitled to sitting fees for attending meetings of Directors nor are they entitled to receive compensation for loss of office at any time. As per the provisions of the Companies Act, 2013 Executive Directors are entitled to commission on net profits as determined by the Board from time to time, not exceeding 5% of the net profits of the Company for that year where there is one Executive Director or not exceeding 10% of the net profits for all the Executive Directors taken together.

Remuneration arrangements of Executive Directors consist of the same elements as those of other employees i.e. Basic Salary, HRA and other allowances, retirement benefits (i.e. provident fund, superannuation and gratuity as per the Company's Schemes applicable to all employees) and perquisites as per the Rules of the Company applicable to all employees.

Executive Directors are entitled to avail themselves of 30 days leave in a year and un-availed leave can be accumulated as per the rules of the Company upto a maximum of 90 days.

#### **c) Remuneration to Senior Management Personnel**

An appropriate level of remuneration is set to ensure that the Company is able to recruit and retain senior management with the knowledge, skill, qualifications and experience along with proven track record. Market competitive remuneration is offered to individuals reflecting their experience, role and contribution within the Company. The individual's performance is reviewed annually, with changes in remuneration normally effective from 1st April of each year. In considering any increase in base salary the Committee will mainly consider the role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness.

The total remuneration package is designed to provide an appropriate balance between fixed and variable components so that a performance driven culture is ensured.

The terms of service of senior management personnel are contained in appointment letters issued by the Company. The Committee will periodically review the contractual terms, rules and policies of the Company to ensure these reflect industrial best practice and are compliant with various regulations. Normally management personnel are appointed until their retirement when they reach the age of 58 years. The severance notice period is normally three months.

Remuneration arrangements of senior management personnel consist of the same elements as those of other employees i.e. Basic Salary, HRA and other allowances, retirement benefits and perquisites as per Rules of the Company applicable to all employees according to the grade structure prevalent in the Company.

As applicable to all employees, senior management personnel are entitled to avail themselves of 30 days leave in a year and un-availed leave can be accumulated as per the rules of the Company upto a maximum of 90 days.

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman



## ANNEXURE II

# CORPORATE SOCIAL RESPONSIBILITY POLICY

## PHILOSOPHY

The 21st Century world believes that businesses are an integral part of the society, and have a critical and active role to play in the sustenance and improvement of healthy ecosystems, in fostering social inclusiveness and equity, and in upholding the essentials of ethical practices and good governance.

Indian entrepreneurs and business enterprises have a long tradition of working within the values that have defined our nation's character for millennia. India's ancient wisdom, which is still relevant today, inspires people to work for the larger objective of the well-being of not only its stakeholders but the society at large. With the passage of the Companies Act, 2013 the mandate for Corporate Social Responsibility (CSR) has been formally introduced to the dashboard of the Boards of Indian companies. While there may be no single universally accepted definition of CSR, each definition that currently exists underpins the impact that businesses have on society at large and the societal expectations of them. Quoting the definition from the World Bank Group, "Corporate Social Responsibility is the commitment of businesses to contribute to sustainable economic development by working with employees, their families, the local community and society at large, to improve their lives in ways that are good for business and for development."

## PREFACE

Tractors India Private Limited (TIPL) is committed to continuous improvement, innovation, out-of-box thinking, finding smart solutions and achieving results. TIPL lives with the idea of "I will make a difference" and so has welcomed the concept of Corporate Social Responsibility with arms open and will strive to implement CSR activities on our own to the extent possible as a contribution towards social, economic & environmental upliftment of the nation.

## OBJECTIVE

The objective of this policy is to provide the basic standards and opportunities relating to the conduct of Corporate Social Responsibility (CSR) by TIPL. Our Corporate Social Responsibility Policy conforms to the Corporate Social Responsibility Guidelines spelt out by the Ministry of Corporate Affairs, Government of India.

## MANAGEMENT

A Sub-Committee of the Board named as "Corporate Social Responsibility Committee" has been constituted by the Board for undertaking various welfare measures as specified under Schedule VII to the Companies Act, 2013.

The Sub-Committee has Mr. Sumit Mazumder, Mr. Sunil Kumar Chaturvedi, Mr. Alope Banerjee and Dr. T. Mukherjee as its members.

The terms of reference of the Sub Committee as prescribed under the Act and the Rules made thereunder include the following:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which will indicate the activities to be undertaken by the Company as well as the amount of expenditure to be incurred on the activities referred in the said policy
- (b) to monitor Corporate Social Responsibility Policy from time to time and
- (c) to prepare a transparent monitoring mechanism for ensuring implementation of the projects/programs/activities proposed to be undertaken by the Company.



## IDENTIFICATION & IMPLEMENTATION

The CSR Committee shall identify CSR projects in a participatory manner, in consultation with the community and NGOs it works with. Depending upon the project need, TIPL shall form partnerships with the Government, Chambers of Commerce, district authorities, the village panchayats, NGOs and other like-minded stakeholders. This would help widening TIPL's reach and leverage upon the collective expertise, and experience of such partnerships.

Each project and initiative TIPL undertakes shall be monitored closely by the CSR Committee until completion and report generation. This shall be further evaluated for eligibility and scope for sustaining as on-going project.

According to the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board of a Company may decide to undertake CSR activities approved by the CSR Committee, through a registered trust/society/company established by the Company or its holding or subsidiary or associated company. The Company, therefore, has decided to carry out all its CSR activities through TIPL's holding Company i.e. TIL's trust named TIL Welfare Trust. All budgets allocated for CSR activities in TIPL shall be carried out by TIL Welfare Trust.

## TIL WELFARE TRUST

TIL Welfare Trust initiated by Mr. Avijit Mazumder, Chairman Emeritus, TIL Limited, is a registered Trust and was formed in 1994. The Trust is exempted u/s 80G (5) (vi) of the Income Tax Act, 1961. Main objectives of the Trust aligned with the overall CSR strategy of the Company, are -

- To provide financial, educational and medical relief to the poor, underprivileged and BPL section of the society.
- To establish, maintain and grant aid or other financial assistance to homes, orphanages or establishments for relief and/or to give help to the poor and underprivileged.
- To provide relief to poor, education, medical and advancement of objects of general public utility and all such objects which may be recognized as charitable objects of public nature under the provision of the Income Tax Act, 1961.
- To encourage further academic pursuit of children, the Trust awards scholarships for graduate and post graduate education in India and abroad in technical/medical institutions or universities and management education. The duration of each scholarship is based on the course selected and subject to maximum period of 4 years.
- To grant relief during natural and national calamities, such as earthquake, flood, famine, fire, pestilence and to give donations to establishments or persons doing such relief work.
- To render assistance and grand aid to public charitable / welfare trusts or institutions, Chief Minister / Prime Minister Relief Funds for general public welfare.
- To do any other act for advancement of general public utility, without distinction of caste, color and creed.

## KEY FOCUS AREAS

Education is the most significant indicator of social progress, which also plays a decisive role for a society to achieve self-sustainable and equal development. With an increasing global realization of how business community can (and should) contribute to social objectives, education deserves a higher level of corporate involvement than status quo. In short, educational issues are essential for human progress, societal development, and the creation of a healthy economic environment. TIPL aims to reach out to the underprivileged and backward sections children in the communities we work in as well as partner with NGOs who work in the field of education.

Being a good corporate citizen, TIPL is committed to behave ethically and contribute in improving the quality of life and social well-being of the local community as well as the society at large. TIPL endeavors to render quality health care facilities to people living below poverty line.

TIPL realizes the need for empowerment of Women & Girl child. Women since ages have silently witnessed the significant changes in society whether its country's freedom, agricultural development, modernization, liberalization, privatization & globalization but one thing which has not changed satisfactorily is gender inequality in Indian society. Women related issues need important attention from Government, society and especially from corporate sector. Corporate Social Responsibility towards women empowerment can become ray of hope in many ways right from changing attitude towards women in the society to making women independent financially, physically and socially and enabling them to stand on their feet.

TIPL endeavors to take a proactive role in minimizing harm to the natural resources it shares, promote products and services that are compliant by environmental standards and propagate safe processes across our operations and processes. Our environment policy steers the whole organization to minimize our ecological footprint and mitigate the impact of our operations.

## GOVERNANCE

1. Every year, the CSR Committee shall place for the Board's approval, a CSR Policy delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board shall consider and approve the CSR Policy with any modification that may deem necessary.
2. The CSR Committee shall assign the task of implementation of the CSR Policy within specified budgets and timeframes to TIL Welfare Trust.
3. TIL Welfare Trust shall carry out such CSR programmes as determined by the Board within specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the Committee may direct.
4. At the end of every financial year, the CSR Committee shall submit its report to the Board.

## INFORMATION DISSEMINATION

The Company's engagement in this domain is disseminated on its website, annual reports, and its house journals and through the media.

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman

## ANNEXURE III

**CORPORATE SOCIAL  
RESPONSIBILITY  
(CSR) REPORT**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

Tractors India Private Limited (TIPL) is committed to continuous improvement, innovation, out-of-box thinking, finding smart solutions and achieving results. Your Company lives with the idea of "I will make a difference" and so has welcomed the concept of Corporate Social Responsibility with arms open and will strive to implement CSR activities on our own to the extent possible as a contribution towards social, economic & environmental upliftment of the nation.

A Corporate Social Responsibility Policy was approved by the Board of Directors and adopted by the Company on 5th February 2015. The said policy may be referred to, at the Company's official website at the web link, <http://www.tiplindia.in/csrapolicy.html>

The objective of this policy is to provide the basic standards and opportunities relating to the conduct of Corporate Social Responsibility (CSR) by TIPL. Our Corporate Social Responsibility Policy conforms to the Corporate Social Responsibility Guidelines spelt out by the Ministry of Corporate Affairs, Government of India with Education, Health Care, Empowerment of Women & Girl Child and Environment as its key focus areas.

Your Company has decided to carry out all its CSR activities through its Holding Company's trust named TIL Welfare Trust. All budgets allocated for CSR activities in TIPL are carried out by TIL Welfare Trust.

A Sub-Committee of the Board of Directors named as "Corporate Social Responsibility Committee" has been constituted by the Board for undertaking various welfare measures as specified in the Policy and under Schedule VII to the Companies Act, 2013.

The Sub-Committee has Mr. Sumit Mazumder, Mr. Sunil Kr. Chaturvedi, Mr. Alope Banerjee and Dr. T. Mukherjee as its Members.

The average net profit of the Company for last three financial years is ₹ 1357 Lakhs.

Your Company was required to spend an amount of ₹ 2,713,000/- (Rupees Twenty Seven Lakhs and Thirteen Thousand only) for the Financial Year 2014-15 (two per cent of the average net profits made during the three immediately preceding financial years).

Your Company has spent ₹ 2,714,500/- towards CSR activities for the Financial Year 2014-15.

**Manner in which the amount spent during the financial year is detailed below:**

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) The State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency* (₹)
1.	Intervention & rehabilitation program for platform kids	1. Eradicating extreme hunger & poverty 2. Promotion of Education	Sealdah			500,000	Mukti Rehabilitation Center
2.	Installation of Bird Bath at Head Office & Branch Offices	1. Ensuring environment sustainability	Local			32,100	Direct
3.	TIL Shishu Shiksha Vikash Yojna	1. Promotion of Education	West Bokaro			208,800	Direct
4.	1. Project on anti-children trafficking through rescue & restoration and training imparted by law-enforcement agencies in the remote villages 2. Care & Maintenance of specially abled children	1. Eradicating extreme poverty and hunger 2. Promotion of Education 3. Rural development projects	1. 24 Parganas and Howrah 2. Sonapur, Kolkata		1. 305,000 2. 50,000	355,000	New Age Society for All
5.	Donation to Orphanage/ Destitute children home – “Anandadhara – SishuNiketan”	1. 1. Eradicating extreme hunger & poverty 2. Promotion of Education	Local		1. 100,000 2. 50,000	150,000	Taitala People Welfare Association
6.	Rehabilitation of children with orthopedic disabilities	1. 1. Eradicating extreme hunger & poverty 2. Promotion of education 3. Health care	Local			50,000	Rehabilitation Center for Children
7.	Organizing Drama, Social Work, Cultural shows and Musical Function	1. In Promotion of art and culture 2. Reducing inequality in society	Local			100,000	Rakhi Sangha

**Manner in which the amount spent during the financial year is detailed below (Contd.):**

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) The State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency* (₹)
8.	School for economically backward sections	1. Promotion of Education 2. Reducing inequalities faced by socially and economically backward sections	Jamshedpur, Jharkhand			50,000	Prem Jyoti Prangan
9.	Health Camp for detection of physical disabilities, Optical Camp and Total Health Checkup Camp	1. Health Care	Local			35,000	VIVEK
10.	1. Traffic arrangements like logistics, deployment of additional manpower for Durga Puja 2014 2. Road Safety Week 2015	1. Health Care & Safety	Local		1. 300,000 2. 200,000	500,000	Canteen Welfare Fund – DC Traffic
11.	Rehabilitation of elderly	1. Reducing inequalities faced by economically backward sections	Local			50,000	The Ramkrishna Society – Anath Bhandar
12.	Contribution for organizing 26th East Zone Athletic Championship, 2014	1. Promotion of nationally recognized sports	Local			25,000	West Bengal Athletic Association
13.	Annual sports for marginalized children	1. Promotion of sports	Local			50,000	Concern India Foundation - Kolkata
14.	Contribution for sports tournament	1. Promotion of sports	Local			100,000	Jungle Crows
15.	Sit n Draw competition for deaf & dumb children	1. Promotion of art	Local			15,000	Porui Mitali Sangha
16.	Inter-school Sports Meet for the deaf/mentally retarded students	1. Promotion of Sports	Madhyamgram, 24 Parganas (North)			10,000	W.B. Welfare Organization for the Deaf

**Manner in which the amount spent during the financial year is detailed below (Contd.):**

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) The State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative Expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency* (₹)
17.	Supporting Dance Group in representing India in the International Dance festival organized in Beijing	1. Promotion of Art & Culture				100,000	Open Doors Event Management
18.	1. Improvement in livelihood of differently abled children	1. Health Care 2. Education 3. Reducing inequalities faced by socially and economically backward sections	Local			50,000	Indian Institute of Cerebral Palsy
19.	Supporting poor and ignorant section of the society	1. Reducing inequalities faced by socially and economically backward sections	Local		1. 15,000 2. 6,600	21,600	Alipore Tarun Dal Durgotsav
20.	Vocational Training to Mentally ill women	1. 1. Employment enhancing vocational skills among differently abled	Local			200,000	Iswar Sankalp
21.	Project supporting children from the under-privileged sections by providing them quality education	1. 1. Promotion of Education 2. Reducing inequalities faced by socially and economically backward sections	Dhanbad, Jharkhand			112,000	Kartavya
Total						2,714,500	

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with Schedule VII to the said Act, the Corporate Social Responsibility Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman

## ANNEXURE IV

# SECRETARIAL AUDIT REPORT

**FORM MR-3**

(For the period 01-04-2014 to 31-03-2015)

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

To,

The Members of Tractors India Private Limited

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31st March 2015 according to the provisions of :
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: Since the Company is a Private Limited Company and the shares are not dematerialized, therefore the provisions of Depositories Act, 1996 is not applicable.
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the company since it is not a listed Company:-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase scheme) Guidelines, 1999 and
    - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

The laws which are specifically applicable to the industry to which the Company belongs, as identified by the management are verified, that is to say:

- a. Factories Act, 1948
- b. Foreign Exchange Management Act, 1999
- c. Environment Protection Act, 1986

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

2. We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d. The Company has obtained all necessary approvals under the various provisions of the Act; and
- e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Acts which are applicable to the Company, Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.
- f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

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

For T. Chatterjee & Associates  
CS. Tarun Chatterjee  
Membership No.: 17195  
Certificate of Practice No: 6935

Kolkata  
25th May 2015

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



## Annexure A

To,

The Members of Tractors India Private Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company.  
Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For T. Chatterjee & Associates

CS. Tarun Chatterjee

Membership No.: 17195

Certificate of Practice No: 6935

Kolkata

25th May 2015

## ANNEXURE V

## PRESCRIBED PARTICULARS ON CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

Information under section 134(3)(m) of the Companies Act, 2013, read with Companies (Disclosure Of Particulars in the Report of Board of Directors) Rules, 1988 and Rule 8(3) of Companies (Accounts) Rules, 2014

### FORM A

### CONSERVATION OF ENERGY

The Company has always been aware about the significance of conservation of energy and as such had always endeavored to conserve energy which has enabled it to achieve material results.

#### 1. Measures taken:

The Company's manufacturing process is not energy intensive in nature and hence it is committed to conserve energy by optimal usage of this scarce resource. Asansol, CRC has submitted an application to WBSEDCL for redefining the Contract Agreement Value to 300KVA in place of the existing Agreement for 750 KVA.

#### 2. Improvements:

The Company follows a sound and systematic system of maintenance of all equipment thereby conserving energy to an advantageous level.

#### 3. Impact of (1) & (2):

The outcome of these changes would enable substantial cost savings for the Company.

#### 4. Total Energy Consumption and Energy Consumption Per Unit of Production.

Particulars	Standard Unit	Year ended 31.03.2015	Year ended 31.03.2014
<b>A. Power and fuel consumption</b>			
a) Electricity			
Purchased Units		280,544	376,784
Total amount (₹ Crs.)		0.30	0.30
Rate Per Unit (₹)		10.54	7.89
b) Own Generation			
Through Diesel Generator			
Units		81,930	80,900
Units per litre		3.00	3.00
Cost per unit (₹)		19.09	17.75
<b>B. Consumption per unit of Production</b>			
Product - DG Sets Electricity (in '000)	Nos.	1.22	1.54

**FORM B****TECHNOLOGY ABSORPTION**

Not Applicable.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

<b>1. Earnings and Outgo:</b>	(₹ / Crs .)
i) Foreign Exchange Earnings - export sales (FOB), Commission, Dividend, etc.	60.5
ii) Foreign Exchange outgo (includes raw material, capital goods, components & spares, and other expenditure in foreign currency, including dividends):	
a) Machines (Trading items)	126.29
b) Components & Spares	241.47
c) Capital goods	0.22
d) Travelling	0.63
e) Salary	3.10
f) Other payment	3.10

Kolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman

**ANNEXURE VI**
**EXTRACT OF ANNUAL RETURN**
**FORM NO. MGT -9**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	U29150WB1995PTC072501
ii)	Registration Date	30.06.1995
iii)	Name of the Company	Tractors India Private Limited
iv)	Category of the Company	Dealer of heavy machinery
v)	Address of the Registered office and Contact details	1, Taratolla Road, Garden Reach, Kolkata – 700024 Tel: +91 (033) 6633 2000, 2845/ 2469 3732-6 Fax: + 91 (033) 2469 2143/ 3731
vi)	Whether Listed Company	Unlisted
vii)	Name, Address and Contact details of Registrar and Transfer Agent	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES**

Business activities contributing 10 % or more of the total turnover of the Company:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	NA	NA	NA
2.	NA	NA	NA

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	TIL Limited	L74999WB1974PLC041725	Holding	100%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Share Holding**

TIL Limited, the Holding Company of your Company holds 100% of shares in the Company.

**(ii) Shareholding of Promoters:**

Not Applicable

**(iii) Change in Promoters' Shareholding (please specify, if there is no change):**

Not Applicable

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Not Applicable

**(v) Shareholding of Directors and Key Managerial Personnel:**

No Director of the Company holds any share in the Company except Mr. Sumit Mazumder, Chairman who holds 10 shares in the Company as a Nominee of TIL Limited, the Holding Company.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lakhs)

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	20,106	3,741		23,847
ii) Interest due but not paid				0
iii) Interest accrued but not due	185			185
<b>Total (i+ii+iii)</b>	<b>20,291</b>	<b>3,741</b>	<b>0</b>	<b>24,032</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	5,851			5,851
* Reduction		97		97
<b>Net Change</b>				<b>5,754</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	25,943	3,644		29,587
ii) Interest due but not paid				0
iii) Interest accrued but not due	199			199
<b>Total (i+ii+iii)</b>	<b>26,142</b>	<b>3,644</b>	<b>0</b>	<b>29,786</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (₹)
		Mr. Sumit Mazumder	Mr. Sunil Kumar Chaturvedi	Mr. Alope Banerjee	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,524,576.00	19,609,533.00	1,095,943.00	32,230,052.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,048,108.00	4,378,914.00	269,962.00	6,696,984.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>13,572,684.00</b>	<b>23,988,447.00</b>	<b>1,365,905.00</b>	<b>38,927,036.00</b>
	Ceiling as per the Act				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)**
**B. Remuneration to other directors**

SI No.	Particulars of Remuneration			Total Amount (₹)
1	Independent Directors	Mr. R. L. Gaggar	Ms. Veena Hingarh	
	Fee for attending board/committee meetings	15,000	15,000	30,000
	Commission	NIL	NIL	NIL
	Others, please specify			
	<b>Total (1)</b>	<b>15,000</b>	<b>15,000</b>	<b>30,000</b>
2	Other Non-Executive Directors	Dr. T. Mukherjee		
	Fee for attending board/committee meetings		150,000	150,000
	Commission		NIL	NIL
	Others, please specify			
	<b>Total (2)</b>		<b>150,000</b>	<b>150,000</b>
	<b>Total (B)=(1+2)</b>			<b>180,000</b>
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Other than the Managing Director and whole-time Directors, the Company has no Key Managerial Personnel.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
<b>B. DIRECTORS</b>					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----

For and on behalf of Board of Directors

Kolkata  
29th May 2015

Sumit Mazumder  
Chairman

# INDEPENDENT AUDITORS' REPORT

To the Members of  
Tractors India Private Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of TRACTORS INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the Auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors as on 31st March 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Notes 12 and 13 to the financial statements;
    - ii. There is no material foreseeable loss which needs to be provided, as required under the applicable law or accounting standards, on long term contracts, including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015



## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business / activities / results during the year, clause (v) of paragraph 3 of the Order is not applicable to the Company.

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us, the inventories (other than material in transit) were physically verified during the year by the Management at reasonable intervals. In respect of inventories in transit, these have been verified by the Management with reference to subsequent receipt and/or relevant documents.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vi) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In lakhs)
The Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, New Delhi	2008-09 to 2010-11	10
The Central Sales Tax Act, 1956	Sales Tax	Commercial Taxes Appellate and Revisional Board, West Bengal	2010-11	18
The Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner, Jamshedpur	2010-11	1
The Central Sales Tax Act, 1956	Sales Tax	Senior Joint Commissioner (Appeal) of Commercial Taxes, West Bengal	2011-12	212
The Central Sales Tax Act, 1956	Sales Tax	The High Court of Jharkhand at Ranchi	2001-02	5
The Punjab Vat Act, 2005	Sales Tax	The Deputy Excise & Taxation Commissioner (Appeals), Patiala Division, Patiala	2012-13	4
The West Bengal Value Added Tax Act, 2005	Sales Tax	Senior Joint Commissioner (Appeal) of Commercial Taxes, West Bengal	2011-12	6
The Bihar VAT Act, 2005	Sales Tax	The Joint Commissioner of Commercial Taxes (Appeal) Patna	2008-09, 2009-10 & 2010-11	393
The Delhi Sales Tax, 1956	Sales Tax	The High Court of Delhi	2002-03	5
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, New Delhi	Aug-04 to Jul-07, Oct-06 to Jan-08, 2008-09 to 2011-12	2,223
Finance Act, 1994	Service Tax	The Commissioner (Appeal) of Central Excise and Customs, Jaipur	2010-11 to 2012-13	143
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	Jan-04 to Aug-07	861
Finance Act, 1994	Service Tax	The Commissioner of Central Excise (Appeal), Kolkata	2004-05, 2007-08 & 2008-09	39
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12 to 2012-13	268

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (vii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 302009E)

A. Bhattacharya  
Partner  
(Membership No. 054110)

Kolkata  
29th May 2015

## BALANCE SHEET as at 31st March 2015

(₹ In Lakhs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	465	450
(b) Reserves and Surplus	4	16,072	12,447
<b>2 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	2,199	3,221
(b) Deferred Tax Liabilities (Net)	6	572	807
(c) Long-Term Provisions	7	842	411
<b>3 Current Liabilities</b>			
(a) Short-Term Borrowings	8	26,333	19,523
(b) Trade Payables	9	7,613	9,904
(c) Other Current Liabilities	10	3,530	3,658
(d) Short-Term Provisions	11	12	20
<b>TOTAL</b>		<b>57,638</b>	<b>50,441</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	15	11,185	9,543
(ii) Intangible Assets	16	1,881	2,209
(iii) Intangible Assets under development		250	-
(b) Long Term Loans and Advances	17	214	160
<b>2 Current Assets</b>			
(a) Inventories	18	19,664	16,297
(b) Trade Receivables	19	19,210	18,952
(c) Cash and Cash Equivalents	20	52	21
(d) Short Term Loans and Advances	21	5,181	3,128
(e) Other Current Assets	22	1	131
<b>TOTAL</b>		<b>57,638</b>	<b>50,441</b>

See accompanying notes forming part of the financial statements.

In terms of our Report attached

 For Deloitte Haskins & Sells  
Chartered Accountants

 A. Bhattacharya  
Partner

 Kolkata  
29th May 2015

For and on behalf of Board of Directors

 Sumit Mazumder  
Chairman

 Sunil Kumar Chaturvedi  
Managing Director & CEO

**STATEMENT OF PROFIT & LOSS** for the Year ended 31st March 2015

(₹ In Lakhs)

Particulars	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>I. Revenue from Operations (Gross)</b>	23	113,782	100,758
Less: Excise Duty		664	736
Revenue from Operations (Net)		113,118	100,022
<b>II. Other Income</b>	24	942	686
<b>III. Total Revenue (I + II)</b>		<b>114,060</b>	<b>100,708</b>
<b>IV. Expenses :</b>			
Cost of Material Consumed	25	4,344	6,296
Purchases of Stock-in-Trade (Traded Goods)	26	83,835	68,808
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(3,297)	3,983
Employee Benefits Expenses	28	10,158	8,138
Finance Costs	29	4,900	4,221
Depreciation and Amortization Expenses	16.1	2,250	2,016
Other Expenses	30	6,445	6,077
<b>Total Expenses</b>		<b>108,635</b>	<b>99,539</b>
<b>V. Profit Before Tax (III - IV)</b>		<b>5,425</b>	<b>1,169</b>
<b>VI. Tax Expenses</b>			
(1) Current Tax		1,971	245
Less: MAT Credit Entitlement		-	(185)
Net Current Tax		1,971	60
(2) Deferred Tax		(213)	319
		<b>1,758</b>	<b>379</b>
<b>VII. Profit for the year (V-VI)</b>		<b>3,667</b>	<b>790</b>
<b>VIII. Earnings per Equity Share :</b> [ Nominal Value per Share ₹ 10/- (Previous year ₹ 10/-)]	33		
(1) Basic (₹)		<b>81.49</b>	<b>17.56</b>
(2) Diluted (₹)		<b>79.69</b>	<b>17.56</b>

See accompanying notes forming part of the financial statements.

In terms of our Report attached

For Deloitte Haskins & Sells  
Chartered AccountantsA. Bhattacharya  
PartnerKolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
ChairmanSunil Kumar Chaturvedi  
Managing Director & CEO

## CASH FLOW STATEMENT for the year ended 31st March 2015

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	5,425	1,169
Adjustments for :		
Depreciation and Amortisation Expenses	2,250	2,016
Provision for Doubtful Trade Receivables	100	4
Trade Receivables/Advances/Claims written off	6	-
Profit on Sale of Fixed Assets (Net)	(232)	(34)
Finance Costs	4,900	4,221
Interest Income	(642)	(180)
Liabilities no longer required written back	(19)	(115)
Unrealised Foreign Exchange (Gain)/Loss (Net)	44	-
	6,407	5,912
<b>Operating Profit before Working Capital Changes</b>	11,832	7,081
Changes in Working Capital		
Adjustments for (increase) / decrease in Operating Assets:		
Trade and Other Receivables	(362)	(2,907)
Inventories	(3,367)	4,057
Loans and Advances (Short-Term and Long-Term)	(2,323)	(339)
Adjustments for increase/(decrease) in Operating Liabilities:		
Trade Payables and Other Liabilities	(1,983)	4,505
	(8,035)	5,316
<b>Cash Generated from Operations</b>	3,797	12,397
Income Tax Paid	(1,668)	(143)
<b>Net Cash from Operating Activities</b>	2,129	12,254
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on Fixed Assets	(4,669)	(3,228)
Proceeds from Sale of Fixed Assets	1,021	823
Interest Received	642	180
<b>Net Cash (Used in)/from Investing Activities</b>	(3,006)	(2,225)

**CASH FLOW STATEMENT** for the year ended 31st March 2015 (Contd.)

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(4,886)	(4,281)
Proceeds from Long Term borrowings	49	1,719
Repayment of Long Term borrowings	(1,071)	(7,568)
Proceeds/(Repayments) of Short-Term Borrowings	6,758	-
Proceeds from issue of Optionally Convertible Preference share	15	-
<b>Net Cash from Financing Activities</b>	865	(10,130)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(12)	(101)
Cash and Cash Equivalents as at the beginning of the year (Refer below)	21	122
Cash and Cash Equivalents as at the end of the year (Refer below)	9	21

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the ' Indirect Method ' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'.
- 2) Cash and Cash Equivalents (Refer note 20)

(₹ In Lakhs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Cash and Cash Equivalents (Refer Note 20)	52	21
Less: Bank balances not considered as Cash and Cash Equivalents as defined in AS 3 Cash Flow Statement:		
In Earmarked Accounts	-	-
Balances held as margin money	(43)	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>9</b>	<b>21</b>

See accompanying notes forming part of the financial statements

In terms of our Report attached

For Deloitte Haskins & Sells  
Chartered AccountantsA. Bhattacharya  
PartnerKolkata  
29th May 2015

For and on behalf of Board of Directors

Sumit Mazumder  
ChairmanSunil Kumar Chaturvedi  
Managing Director & CEO

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated)

### 1 CORPORATE INFORMATION

Tractors India Private Limited (the 'Company') is a wholly owned subsidiary of TIL Limited. The Company is in a dealership business of Caterpillar products and its business segments are as follows :

- Construction and Mining Solutions (CMS) - engaged as a dealer for Caterpillar Inc. USA for their earthmoving, construction mining equipments, spares etc. and providing related services in Eastern and Northern India and Bhutan.
- Power Systems Solutions (PSS) - engaged in assembly, supply, erection and commissioning of Generating Sets powered by Caterpillar engines and dealing in spares etc and providing related services in Eastern and Northern India and Bhutan.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### 2.3 Revenue Recognition

##### (a) Sale of goods

Revenue from sales (exclusive of Sales Tax / Value Added Tax) are being recognised net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer on accrual basis in keeping with related arrangements with customers.

##### (b) Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

#### 2.4 Other income

Interest income is accounted on accrual basis.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 2.5 Fixed Assets

Fixed Assets (comprising both tangible and intangible items) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

### 2.6 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Tangible Fixed Assets (other than Leasehold Land) has been provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.

Operating Lease Assets

Class of Assets	Useful Life as per the Companies Act 2013	Useful Life as estimated by the management
Plant and Machinery	15 years	6.25 years

Leasehold Land is amortised over the period of lease.

Intangible Assets i.e. Computer Software are being amortised under Straight Line method over its estimated useful life of 7 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### 2.7 Impairment Loss

Impairment Loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount, i.e., the higher of the assets' Net selling price and Value-in-use. The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

### 2.8 Inventories

Inventories are stated at cost and net realisable value, whichever is lower. Cost is determined at weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and includes where applicable, appropriate overheads. Obsolete and other losses on inventories are provided for wherever considered necessary, work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

### 2.9 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 2.10 Employee Benefits

The undiscounted amount of Short-Term Employee Benefits ( i.e. benefits payable within one year ) are recognised in the period in which the employee services are rendered.

Contributions towards Provident Funds are recognised as expense. Provident Fund contributions in respect of employees are made to common trust - 'Tractors India Employees Provident Fund' (being administered by the trustees of the said fund for the benefit of employees of the Company and its Holding Company i.e. TIL Limited) and such Trust invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is made good by the Company. (Refer Note 28.3).

Contributions under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.

The Company also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees, which is a Defined Contribution Plan.

Provisions for Gratuity for eligible employees (being a defined benefit plan) is made on the basis of year-end actuarial valuation using Projected Unit Credit Method (Refer Notes 28.4, 28.6 and 28.7).

In respect of certain eligible employees who have attained 45 years of age as on 1st April 2009, provision for Superannuation under Defined Benefit Plan is made on the basis of year end actuarial valuation, using Projected Unit Credit Method (Also refer Note 28.5).

In respect of certain eligible employees who have not attained 45 years of age as on 1st April 2009 provision for Superannuation is made :-

- under Defined Contribution Scheme in respect of services rendered with effect from 1st April 2009.
- under Defined Benefit Scheme in respect of services rendered up to 31st March 2009, based on frozen pensionable salary as on 31st March 2009 using Projected Unit Credit Method (Refer Notes 28.5, 28.6 and 28.7).

Actuarial gains / losses arising in respect of Defined Benefit Plans are recognised in the Statement of Profit and Loss as income or expenses in the year in which they occur.

Accrued liability towards Leave Encashment benefits (compensated absences), covering eligible employees, evaluated on the basis of year-end actuarial valuation using Projected Unit Credit Method, is recognised as a charge.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 2.11 Transactions in Foreign Currencies

#### (a) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

#### (b) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate.

#### (c) Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

### 2.12 Borrowing Costs

Borrowing Costs, if any, that are attributable to the acquisition, construction or production of 'Qualifying Assets' are capitalised as part of cost of such assets. A 'Qualifying Asset' is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as expenses in the Statement of Profit and Loss in the period in which they are incurred.

### 2.13 Leases

For assets acquired under Operating Lease, rentals payable are charged to Statement of Profit and Loss.

Assets leased out under operating leases are capitalised. Rental income is recognised on accrual basis over the lease term.

### 2.14 Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the amount required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.15 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 3 SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised</b>		
70,00,000 (31st March 2014 : 70,00,000) Equity Shares of ₹ 10/- each	700	700
15,00,000 (31st March 2014 : Nil) 9% Optionally Convertible Preference Shares of ₹ 10/- each	150	150
	<b>850</b>	<b>850</b>
<b>Issued</b>		
45,00,000 (31st March 2014 : 45,00,000) Equity Shares of ₹ 10/- each	450	450
15,00,000 (31st March 2014 : Nil) 9% Optionally Convertible Preference Shares of ₹ 10/- each	150	-
	<b>600</b>	<b>450</b>
<b>Subscribed and Paid up</b>		
45,00,000 (31st March 2014 : 45,00,000) Equity Shares of ₹ 10/- each (fully paid up)	450	450
15,00,000 (31st March 2014 : NIL) 9% Optionally Convertible Preference Shares of ₹ 10/- each (₹ 1 per share paid up)	15	-
<b>Total</b>	<b>465</b>	<b>450</b>

#### 3.1 Reconciliation of the number of Equity shares

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Amount (₹ in Lakhs)	Number	Amount (₹ in Lakhs)
Balance at the beginning of the year	4,500,000	450	4,500,000	450
Add/ Less: Movement during the year	-	-	-	-
Balance at the end of the year	4,500,000	450	4,500,000	450

#### 3.1a Reconciliation of the number of 9% Optionally Convertible Preference shares

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Amount (₹ in Lakhs)	Number	Amount (₹ in Lakhs)
Balance at the beginning of the year	-	-	-	-
Add: Issued during the year	1,500,000	15	-	-
Balance at the end of the year	1,500,000	15	-	-

#### 3.2 Rights, Preferences and Restrictions attached to Shares

##### Equity Shares:

The Company has equity shares referred to as equity shares having par value of ₹ 10/- per share. Each share holder is eligible to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amount, in proportion to their shareholding.

### Optionally Convertible Preference Shares:

The Company has issued 15,00,000 9% Optionally Convertible Preference Shares ('OCPS') having par value of ₹ 10/- per share and ₹ 1/- per share paid up.

Each of this Optionally Convertible Preference Share ('OCPS') of ₹ 10/- carries a right to receive Preference Dividend (non-cumulative) of 9% per annum and shall operate as a Preference Share Certificate till the conversion of OCPS into equity share on or before 30th June 2017 at the option of either the Company or preference share holder as the case may be. The Equity Shares issued on such conversion shall rank pari passu in all respects with the existing Equity Shares of the Company.

### 3.3 Shares held by Holding Company:

Particulars	As at 31.03.2015	As at 31.03.2014
Equity shares of ₹ 10/- each held by TIL Limited, the Company's Holding Company	4,500,000	4,500,000

### 3.4 Details of Shares held by shareholders holding more than 5 % of the aggregate shares in the Company

Particulars	As at 31.03.2015	As at 31.03.2014
Equity shares with voting rights		
TIL Limited (Number)	4,500,000	4,500,000
TIL Limited (%)	100	100
9% Optionally Convertible Preference Share		
Abhiksha Enterprises Private Limited (Number)	1,500,000	-
Abhiksha Enterprises Private Limited (%)	100	-

## 4 RESERVES AND SURPLUS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Securities Premium Account</b>	9,135	9,135
<b>Surplus in Statement of Profit and Loss</b>		
Balance at the beginning of the year	3,312	2,522
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Fixed Assets with Nil useful life (net of Deferred Tax of ₹ 22 lakhs). (Refer Note 16.2)	(42)	-
Profit for the year	3,667	790
<b>Balance at the end of the year</b>	6,937	3,312
<b>Total</b>	<b>16,072</b>	<b>12,447</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 5 LONG TERM BORROWINGS (Refer Note 5.1)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>		
<b>Term Loans</b>		
From Banks	2,125	3,029
<b>Vehicle Term Loans</b>		
From Bank	10	8
<b>UNSECURED LOANS</b>		
<b>Term Loan from Other Parties:</b>		
From IBM India Private Limited (Refer Note 5.2)	64	184
<b>Total</b>	<b>2,199</b>	<b>3,221</b>

#### 5.1 Nature of Security and Terms of repayment for Secured Long Term Borrowings (including current maturities of Long Term Debt)

Nature of Security	Terms of Repayments
<p><b>Term Loans :</b></p> <p>Term Loans from Banks comprising (1) HDFC Bank ₹ 379 lakhs (31st March 2014 - ₹ 757 lakhs), (2) Axis Bank ₹ 150 lakhs (31st March 2014 - ₹ 450 lakhs), are secured by first pari passu charge on movable fixed assets of the Company and its holding Company-TIL Limited, both present and future and by way of mortgage of certain immovable properties of TIL Limited and second pari-passu charge on the current assets of the Company, both present and future. Further for these facilities a Corporate Guarantee has been provided by TIL Limited. (3)HDFC Bank ₹ 2500 lakhs (31st March 2014 - ₹ 2500 lakhs) are secured by first pari passu charge on movable fixed assets of the Company and its holding Company-TIL Limited, both present and future and by way of mortgage of entire immovable properties of TIL Limited and second pari passu charge on the current assets of the Company, both present and future. Further for these facilities a Corporate Guarantee has been provided by TIL Limited.</p>	<p><b>Term Loans :</b></p> <p>Term loan (1) from HDFC Bank is repayable in 16 equal quarterly instalments starting from 30th June 2012 with interest at Base Rate + 225 bps.</p> <p>Term loan (2) from Axis Bank is repayable in 20 equal quarterly instalments starting from 16th October 2010 with interest at Base Rate + 275 bps.</p> <p>Term loan (3) from HDFC Bank is repayable in 16 quarterly instalments starting from 30th June 2015 with interest at Base Rate + 225 bps.</p>
<p><b>Vehicle Term Loans:</b></p> <p>Vehicle loans are secured by hypothecation of the Vehicle financed.</p>	<p><b>Vehicle Term Loans:</b></p> <p>Repayable in 36 monthly instalments together with interest (10%-12%) thereon.</p>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

- 5.2** Unsecured loan from IBM India Private Limited is repayable in 12 equal quarterly instalments starting after 15 days from the date of disbursement with interest thereon, whereas first repayment started from April, 2012 and latest disbursement was in April 2014.

### 6 DEFERRED TAX LIABILITIES (NET)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Timing Difference resulting in liabilities / (assets) mainly on account of :		
Difference between net book value of depreciable Capital Asset as per books vis-à-vis written down value as per Income Tax.	868	826
Less: Deferred Tax on Depreciation on transition to Schedule II of the Companies Act 2013 on Tangible Fixed Assets with Nil useful life. (Refer note no 16.2)	(22)	-
Disallowances allowable for Tax purpose on payment	(274)	(19)
<b>Total</b>	<b>572</b>	<b>807</b>

### 7 LONG TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Provision for employee benefits</b>		
Provision for Provident Fund	161	62
Provision for Compensated Absence	681	349
<b>Total</b>	<b>842</b>	<b>411</b>

### 8 SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>SECURED</b>		
Loan Repayable on Demand		
From Banks	22,753	15,966
<b>UNSECURED</b>		
Loan Repayable on Demand		
From Banks	3,580	3,557
<b>Total</b>	<b>26,333</b>	<b>19,523</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 8.1 Nature of Security for Short Term Borrowings - Cash Credit / Working Capital Demand Loans/ Buyers' Credit :

Cash Credit/Working Capital/Buyers' Credit facilities from banks are secured by first pari-passu charge by way of hypothecation on all the Current Assets of the Company (namely Stocks, Bills Receivables and Book Debts etc.) both present and future, excluding such movables as may be permissible by the said banks from time to time and a second pari passu charge on Fixed Assets of the Company both movable and immovable, present and future, ranking after the mortgage and/or charge created and/or to be created by the Company over such Fixed Assets in favour of its term lenders/ prior charge holders for securing their respective Term Loan/Credit facilities and also secured by a second pari-passu charge on all movable and certain immovable properties of the Company's holding company-TIL Limited. Further for these facilities a Corporate Guarantee has been provided to the banks by TIL Limited.

## 9 TRADE PAYABLES

( ₹ In Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
Acceptances	3,107	6,609
Other than Acceptances	4,506	3,295
<b>Total</b>	<b>7,613</b>	<b>9,904</b>

9.1 There are no outstanding dues for Micro, Small and Medium Enterprises Development Act based on information available with the Company.

## 10 OTHER CURRENT LIABILITIES

( ₹ In Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of Long - Term debt [Refer Note 5.1]	1,055	1,103
Interest accrued but not due on borrowings	199	185
Advance from customers and others	672	777
Security Deposit From Customers	234	242
Contribution to Funds (Gratuity, Superannuation, etc.)	406	150
Statutory Remittances	964	1,201
<b>Total</b>	<b>3,530</b>	<b>3,658</b>

## 11 SHORT TERM PROVISIONS

( ₹ In Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Provision for employee benefits</b>		
Provision for Provident Fund (Refer Note 28.3)	1	1
Provision for Compensated Absence (Unfunded)	11	19
<b>Total</b>	<b>12</b>	<b>20</b>



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 12 CONTINGENT LIABILITIES IN RESPECT OF

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Sales Tax Matters under dispute [Related payments ₹ 79 lakhs (Previous year - ₹ 80 lakhs)]	723	561
b. Service Tax matters under dispute [Related payments ₹ 43 lakhs (Previous year - ₹ 42 lakhs)]	3,309	3,281
c. Excise matters under dispute [Related payments ₹ 10 lakhs (Previous year - ₹ 10 lakhs)]	20	20
d. Income Tax [Related payments ₹ 175 lakhs (Previous year - Nil)]	443	330
e. Bill Discounting with Banks	-	1,492

The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

- 13** Pursuant to a stay order obtained by the Company from the Hon'ble High Court, the Company has stopped paying further Tax on Imported goods into West Bengal, with effect from 1st January 2013. The related unpaid amount till 31st March 2015 is ₹ 456 Lakhs (Previous Year ₹ 215 lakhs).

### 14 DETAILS OF OTHER COMMITMENTS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Other Commitments (a) and (b) below	28,912	13,201
<b>Total</b>	<b>28,912</b>	<b>13,201</b>

- (a) Includes orders placed for procuring Caterpillar products viz Machines, Engines, Parts etc. ₹ 28,223 lakhs.  
(Previous year - ₹ 10,696 lakhs)
- (b) Pursuant to the Master Asset Purchase Agreement (MAPA) signed between Tractors India Private Limited and Bucyrus India Private Limited on 1st November 2013, Tractors India Private limited has committed to pay an estimated amount of ₹ 3,000 Lakhs, towards procurement of certain assets mainly inventory. Till the Balance Sheet date, Tractors India Private Limited has purchased inventory from Bucyrus India Pvt. Ltd. valued at ₹ 2,311 lakhs (Previous year - ₹ 495 lakhs).

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 15 TANGIBLE ASSETS

(₹ In Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01.04.2014	Additions/ Adjustments during the year	Disposal/ Adjustments during the year	Cost as at 31.03.2015	As at 01.04.2014	For the Year	Disposal/ Adjustments during the year	Transition adjustments recorded against surplus balance in Statement of Profit and Loss	As at 31.03.2015	As at 31.03.2014
<b>Own Assets</b>										
Leasehold Land	25 (25)	-	-	25 (25)	5 (4)	- (1)	-	-	5 (5)	20 (20)
Buildings :										
Leasehold	975 (975)	-	-	975 (975)	128 (103)	28 (25)	-	-	156 (128)	819 (847)
Plant and Machinery	6,106 (5,326)	376 (841)	277 (61)	6,205 (6,106)	3,213 (2,703)	529 (531)	111 (21)	49	3,680 (3,213)	2,525 (2,893)
Furniture and Fixtures	435 (394)	58 (41)	-	493 (435)	166 (142)	42 (24)	-	10	218 (166)	275 (269)
Vehicles	520 (518)	162 (8)	-	682 (520)	221 (179)	68 (47)	-	4	293 (221)	389 (299)
Office Equipment	277 (256)	35 (21)	-	312 (277)	80 (64)	34 (16)	-	1	115 (80)	197 (197)
<b>Sub Total ( A )</b>	8,338 (7,494)	631 (911)	277 (67)	8,692 (8,338)	3,813 (3,195)	701 (644)	111 (26)	64	4,467 (3,813)	4,225 (4,525)
<b>Assets Given On Operating Lease :</b>										
Plant and Machinery (Refer Note 15.1)	7,505 (7,551)	3,784 (1,483)	1,503 (1,529)	9,786 (7,505)	2,489 (2,140)	1,217 (1,130)	880 (781)	-	2,826 (2,489)	6,960 (5,016)
<b>Sub Total ( B )</b>	7,505 (7,551)	3,784 (1,483)	1,503 (1,529)	9,786 (7,505)	2,489 (2,140)	1,217 (1,130)	880 (781)	-	2,826 (2,489)	6,960 (5,016)
<b>Total (A+B)</b>	15,843 (15,045)	4,415 (2,394)	1,780 (1,596)	18,478 (15,843)	6,302 (5,335)	1,918 (1,774)	991 (807)	64	7,293 (6,302)	11,185 (9,543)
Previous year										

**15.1** The assets given on operating lease represents certain Plant and Machinery (namely Diesel Generating Sets, Machines etc.) which are rented to customers under cancellable operating leases. Leases range for periods between 6 months to 3 years. Terms of lease include terms for renewal, cancellation etc. Initial Direct costs (commissioning, installation etc.) for such assets are borne by the lessee, other than transportation cost, which is borne by the Company and charged off to revenue. Lease rentals recognised as income during the year ₹ 3,398 lakhs (Previous Year - ₹ 2,680 lakhs).

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 16 INTANGIBLE ASSETS

	GROSS BLOCK		DEPRECIATION		NET BLOCK		
	Cost/Valuation as at 01.04.2014	Additions during the year	Cost/Valuation as at 31.03.2015	As at 01.04.2014	For the Year	As at 31.03.2015	As at 31.03.2014
Software	2,451	4 (2,451)	2,455 (2,451)	242	332 (242)	1,881 (2,209)	2,209
<b>Total</b>	<b>2,451</b>	<b>4</b>	<b>2,455</b>	<b>242</b>	<b>332</b>	<b>1,881</b>	<b>2,209</b>
Previous Year	-	(2,451)	(2,451)	-	(242)	(2,209)	-

#### 16.1 Details of Depreciation and Amortisation Expenses

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Depreciation of Tangible Assets	1,982	1,774
Amortisation of Intangible Assets	332	242
Less: Depreciation transferred to Reserve	(64)	-
Net Depreciation Charged to Profit and Loss Statement	2,250	2,016

**16.2** With effect from 1st April 2014 the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013. Due to the above, depreciation charge for the year ended 31st March 2015 is lower by ₹ 67 Lakhs. Further, based on transitional provision of Note 7(b) of Schedule II, an amount of ₹ 42 Lakhs (net of Deferred Tax of ₹ 22 lakhs) has been adjusted with the surplus in the Statement of Profit and Loss.

### 17 LONG TERM LOANS AND ADVANCES

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good</b>		
Deposits with Customers	214	160
<b>Total</b>	<b>214</b>	<b>160</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 18 INVENTORIES

(Refer Note 2.8 above for Accounting Policy on valuation of inventories)

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a. Raw Material and Components	649	585
	649	585
b. Work-in-Progress	1,194	529
	1,194	529
c. Finished Goods	161	353
	161	353
d. Stock-in-Trade	16,856	14,744
Goods-in-Transit	733	-
	17,589	14,744
e. Loose Tools, Spares & Consumables	71	86
	71	86
<b>Total</b>	<b>19,664</b>	<b>16,297</b>

#### 18.1 (a) Details of Inventory

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>(i) Finished goods</b>		
Diesel Generating Set	161	353
<b>Total</b>	<b>161</b>	<b>353</b>
<b>(ii) Details of Stock in Trade</b>		
a) Construction & Mining Equipment, etc.	3,032	3,169
b) Packaged Diesel Generating Set	494	1,731
c) Goods, Components and Parts for Mining Equipments & Diesel Generating Set	14,063	9,844
<b>Total</b>	<b>17,589</b>	<b>14,744</b>
<b>(iii) Details of Work in Progress</b>		
a) Construction & Mining Equipment, etc.	996	426
b) Packaged Diesel Generating Set	198	103
<b>Total</b>	<b>1,194</b>	<b>529</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 19 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, Considered Good	2,513	1,498
Unsecured, Considered Doubtful	100	-
Less : Provision for Doubtful Trade Receivables	(100)	-
	2,513	1,498
<b>Other Trade Receivables</b>		
Unsecured, Considered Good	16,697	17,454
[Includes amount not due for payment of ₹ 8,830 lakhs (previous year ₹ 12,335 lakhs)]		
<b>Total</b>	<b>19,210</b>	<b>18,952</b>

### 20 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Cash in hand	5	6
Balance with Banks :		
In Current Accounts	4	15
<b>Total Cash and Cash Equivalents [As per AS 3 Cashflow Statements] (A)</b>	<b>9</b>	<b>21</b>
Other Bank Balances		
In Earmarked Accounts	-	-
Balances held as Margin Money	43	-
Total Other Bank Balances (B)	43	-
<b>Total</b>	<b>52</b>	<b>21</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 21 SHORT TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, Considered Good:</b>		
Security Deposits	110	112
Advance to Suppliers	1,170	461
Prepayments	270	199
Employee Advances	17	19
Claims Receivable	1,699	717
Accrued Duty Benefits pertaining to exports/Deemed exports	4	72
Advance Income Tax [Net of Provision of ₹ 2,232 lakhs (31 March 2014 - ₹ 382 lakhs)]	269	451
Mat Credit Entitlement	141	262
Balance with Statutory / Government Authorities	1,501	835
<b>Total</b>	<b>5,181</b>	<b>3,128</b>

#### 21.1 Loans and Advances in the nature of Loans

(₹ In Lakhs)

Name of the Company	Relationship	As at 31.03.2015	Maximum Balance during the year	As at 31.03.2014	Maximum Balance during the year
TIL Limited	Holding Company	-	8,623	-	6,135

### 22 OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Gratuity Fund Plan Assets (Net)	-	131
Accrued Interest on Deposit	1	-
<b>Total</b>	<b>1</b>	<b>131</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 23 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Sale of product</b>		
Finished Goods	5,989	7,186
Traded goods	88,665	81,573
<b>Sale of service</b>	15,047	7,632
	<b>109,701</b>	<b>96,391</b>
<b>Other Operating Revenues</b>		
Rental from Machinery	3,398	2,680
Selling Commission earned	375	1,438
Profit on Sale of Used Rental Machinery	308	249
<b>REVENUE FROM OPERATIONS (GROSS)</b>	<b>113,782</b>	<b>100,758</b>
Less : Excise Duty	664	736
<b>REVENUE FROM OPERATIONS (NET)</b>	<b>113,118</b>	<b>100,022</b>

#### 23.1 Details of sale of Finished Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Diesel Generating Set	977	5,886
Parts	5,012	1,300
<b>Total</b>	<b>5,989</b>	<b>7,186</b>

#### 23.2 Details of sale of Traded Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
a) Construction & Mining Equipment, etc.	45,836	39,510
b) Packaged Diesel Generating Set	12,412	12,231
c) Goods, Components and Parts for Mining Equipments & Diesel Generating Set	30,417	29,832
	<b>88,665</b>	<b>81,573</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 24 OTHER INCOME

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Profit on Sale of Fixed Assets	-	34
Gain on foreign currency transaction (net)	128	-
Interest on deposit with Banks/Bodies Corporate	642	180
Liabilities no longer required written back	19	115
Discounts	17	61
Scrap Sales	30	20
Miscellaneous Income	106	276
<b>Total</b>	<b>942</b>	<b>686</b>

### 25 COST OF MATERIALS (INCLUDING PURCHASED COMPONENTS) CONSUMED

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Material Consumed	4,344	6,296
<b>Total</b>	<b>4,344</b>	<b>6,296</b>

#### 25.1 Details of Indigenous Raw Materials (Including Purchased Components) consumed: (₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Engines	301	2507
Acoustic Enclosures ( for D G Sets )	178	598
Alternators ( for DG Sets)	33	484
Parts	3,456	2,213
Miscellaneous	376	494
<b>Total</b>	<b>4,344</b>	<b>6,296</b>



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 26 PURCHASE OF STOCK IN TRADE

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Purchase of Stock in Trade	83,663	68,687
Packing and Forwarding	172	121
<b>Total</b>	<b>83,835</b>	<b>68,808</b>

#### 26.1 Details of purchase of Traded Goods

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
a) Construction & Mining Equipment, etc.	44,008	38,315
b) Packaged Diesel Generating Set	10,967	15,310
c) Goods, Components and Parts for Mining Equipments & Diesel Generating Set	28,688	15,062
<b>Total</b>	<b>83,663</b>	<b>68,687</b>

#### 26.2 Purchase excludes

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Items being recoverable by way of reimbursement i.e.. Other than through Sales	2,041	1,394

### 27 CHANGE IN INVENTORIES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Inventories at the end of the year</b>		
Traded goods	17,589	14,744
Work-in-progress	1,194	529
Finished goods	161	353
	18,944	15,626
<b>Inventories at the beginning of the year</b>		
Traded goods	14,744	18,821
Work-in-progress	529	774
Finished goods	353	14
	15,626	19,609
Increase/(Decrease) in Excise Duty on Finished goods	21	-
<b>Total</b>	<b>(3,297)</b>	<b>3,983</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 28 EMPLOYEE BENEFITS EXPENSES

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Salaries, Wages , Bonus etc *	8,690	7,207
Contribution to Provident and other Funds *	974	547
Staff Welfare Expenses *	303	220
Medical Expenses *	191	164
<b>Total</b>	<b>10,158</b>	<b>8,138</b>

\* Includes reimbursements to Holding Company [Refer Note 35(l)(b)]

**28.1** In accordance with a scheme of Arrangement (effected during year ended 31st March 2011), certain employees of TIL Limited (the Holding Company) were transferred to the Company with effect from 1st April, 2010. All liabilities as on the aforesaid date of transfer and arising thereafter related to such transferred employees are borne and paid by the Company. Further for the purpose of payment of any retirement benefit, past service of such transferred employees are taken into account and the methodology for computation of retirement benefit remains same as that followed by the Holding Company.

**28.2** The Company has recognised, in the Statement of Profit and Loss Account for the year ended 31st March 2015 an amount of ₹103 lakhs (Previous year - ₹ 93 lakhs) as expenses under defined contribution plans as detailed below:

(₹ In Lakhs)

Benefit (Contribution to)	Year Ended 31.03.2015	Year Ended 31.03.2014
Employees State Insurance	6	7
Superannuation Fund	97	86
<b>Total</b>	<b>103</b>	<b>93</b>

#### 28.3 Provident Fund:

In terms of the guidance on implementing Accounting Standard (AS)15 on Employee Benefits issued by the Institute of Chartered Accountants of India, a Provident fund set up by the Company/Holding Company is treated as a Defined Benefit Plan.

With effect from 1st April 2011 the Institute of Actuaries Society of India has issued a Guidance Note on valuation of Interest Rate Guarantees on exempt provident Funds under AS-15. The Company has an obligation to fund any shortfall of the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually, predominantly considering the social rather than economic factors. The actuary of the Company has accordingly carried out during the year an actuarial valuation to estimate the present value of interest rate guarantee as at 31st March 2015 for the Company's exempted Provident Fund in accordance with AS-15. The shortfall recognised in this respect in the Statement of Profit and Loss is ₹101 Lakhs (Previous year ₹ 14 Lakhs).

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 28.3 Provident Fund (Contd.):

The relevant parameters/assumptions used by the Actuary to determine the present value of interest rate guaranteed for the year ended 31st March 2015 is provided below :

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Estimated Provident Fund Accumulation as at 31st March 2015 ( ₹ in lakhs)	3,094	2,481
Guaranteed Rate	8.75%	8.75%
Average yield rate based on data of investment portfolio	8.39%	8.34%
Decrement adjusted average future period of service	23.37 years	22 years
Average maturity period of investment portfolio	2.29 years	2.6 years
Discount rate	7.77%	9.13%

During the year the Company has charged ₹ 407 lakhs (including ₹ 101 lakhs on account of interest rate guarantee) [Previous Year ₹ 264 lakhs] towards Provident Fund Scheme in the Statement of Profit and Loss (disclosure in this regard is limited to the extent of information made available by Actuary).

### 28.4 Gratuity Fund :

The Company makes periodic contributions to the Tractors India Limited Staff Gratuity Fund, a funded defined benefit-plan for qualifying employees administered under a common Trust, by the trustees of the said fund for the benefit of employees of the Company and its Holding Company i.e. TIL Limited.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Company's plan (based on average salary of last 36 months and number of years of service, restricted to a maximum of 40 years) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 years of continuous service.

The most recent actuarial valuation of Plan Assets and the Present Value of the defined benefit obligation was carried out as at 31st March 2015.

### 28.5 Superannuation Fund :

i) Certain eligible employees of the Company who had attained at least 45 years of age as on 1st April 2009 are entitled to superannuation benefit under the Superannuation Scheme, a funded Defined Benefit Plan under a common Trust - 'Tractors India Limited Superannuation Fund Scheme', being administered by the trustees of the said fund for the benefit of employees of the Company and its Holding Company i.e. TIL Limited. Under the aforesaid benefit scheme the Company makes periodic contribution to the Superannuation Fund Scheme and a predetermined percentage of salary is paid as pension on retirement. The quantum of pension depends on the average basic salary of eligible employee during the last 36 months before retirement. The benefit vests to employees with 12 years of continuous service and attainment of 48 years of age on retirement / death/termination. The most recent actuarial valuation of Plan Assets and Present Value of the Defined Benefit Obligation of Superannuation Fund was carried out as on 31st March 2015.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 28.5 Superannuation Fund (Contd.):

ii) Employees who did not attain 45 years of age as on 1st April 2009 are under the purview of 'Defined Contribution Scheme' in respect of service rendered from 1st April 2009. The benefit of services rendered by these employees up to 31st March 2009 come under the purview of 'Defined Benefit Scheme', which is frozen as on 31st March 2009. Thus for this category of employees, the benefit on cessation of service will be:

- a) amount accumulated by annual contribution of 15% of Basic Salary with effect from 1st April 2009 and
- b) amount frozen as on 31st March 2009.

### 28.6 Particulars in respect of post retirement defined benefit plans of the Company are as follows :

(₹ In Lakhs)

Description	Superannuation Fund (Funded)*		Gratuity Fund (Funded)*	
	2014-15	2013-14	2014-15	2013-14
<b>1. Reconciliation of the Opening and Closing balances of the Present Value of the Defined Benefit Obligation</b>				
a. Present Value of Obligation at the Beginning of the Year	886	1070	479	474
b. Current Service Cost	25	50	64	62
c. Interest Cost	68	77	39	36
d. Actuarial (gain)/loss	57	(26)	339	(18)
e. Benefits paid	(211)	(285)	(64)	(75)
f. Present Value of Obligation at the end of the Year	825	886	857	479
<b>2. Reconciliation of the Opening and Closing balances of the Fair Value of Plan Assets :</b>				
a. Fair Value of Plan Assets at the Beginning of the Year	992	1079	610	636
b. Expected return on Plan Assets	79	81	54	50
c. Actuarial gain/(loss)	(27)	24	56	(26)
d. Contributions by the Employer	21	93	70	25
e. Benefits paid	(211)	(285)	(64)	(75)
f. Fair Value of Plan Assets at the end of the Year	854	992	726	610
<b>3. Reconciliation of the Present Value of Obligation and Fair Value of the Plan Assets :</b>				
a. Fair Value of Plan Assets at the end of the Year	854	992	726	610
b. Present Value of Obligation at the end of the Year	825	886	857	479
c. (Assets)/Liabilities recognised in the Balance Sheet	(29)	(106)	131	(131)

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) Contd.

### 28.6 Particulars in respect of post retirement defined benefit plans of the Company are as follows (Contd.):

(₹ In Lakhs)

Description	Superannuation Fund (Funded)*					Gratuity Fund (Funded)*				
	2014-15	2013-14				2014-15	2013-14			
<b>4. Expenses recognised during the year :</b>										
a. Current Service cost	25	50				64	62			
b. Interest cost	68	77				39	36			
c. Expected return on Plan Assets	(79)	(81)				(54)	(50)			
d. Actuarial (Gain) / Loss	84	(50)				283	8			
e. Expense recognised during the year	98	(4)				332	56			
<b>5. Experience Adjustments on Plan Obligation and Assets</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>
a. Fair Value of Plan Assets at the end of the year	854	992	1,079	1,108	849	726	610	636	570	268
b. Present Value of Obligation at the end of the year	825	886	1,070	1,106	836	857	479	474	452	301
c. (Assets)/Liabilities recognised in the Balance Sheet	(29)	(106)	(9)	(2)	(13)	131	(131)	(162)	(118)	33
d. Experience Adjustments on Plan Obligation [(Gain) /Loss]	20	(19)	(69)	346	61	29	(1)	(39)	112	84
e. Experience Adjustments on Plan Assets [Gain/(Loss)]	(27)	24	11	36	2	56	(26)	2	(1)	(2)

\* The expense for the defined benefits are included in the line item under Contribution to Provident and other Funds (Refer Note 28).

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>6. Investment Details of Plan Assets as at</b>				
a. Govt of India Securities	23.9%	25.47%	29.8%	25.88%
b. Public Sector ( PSU ) Bonds	45.94%	48.74%	31.38%	32.21%
c. State Govt Securities	14.14%	11.72%	19.17%	21.16%
d. Special Deposit Scheme	16.02%	14.07%	19.65%	20.75%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>7. Assumptions</b>				
a. Discount rate per annum	7.75%	8.75%	7.75%	8.75%
b. Salary escalation rate per annum	7.50%	4.00%	7.50%	4.00%
c. Expected rate of return on Plan Asset per annum	8.75%	8.75%	8.75%	8.75%
d. Method used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
<b>8. Actual Return on Plan Assets</b>	<b>9.13%</b>	<b>10.20%</b>	<b>9.07%</b>	<b>3.94%</b>

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

The major portions of the Assets are invested in PSU Bonds and Special Deposits. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds. The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**28.7** The fair value of plan assets pertaining to the Company as on 31.03.2015 in respect of Gratuity and Superannuation benefit scheme funds, being maintained by Tractors India Limited Staff Gratuity Fund and Tractors India Limited Superannuation Fund respectively have been bifurcated by the Trustees of the related funds in proportion to the year end present value of the obligation determined by the independent actuary.

### 29 FINANCE COSTS

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Interest Expenses	4,091	3,999
Other Borrowing Cost	809	222
<b>Total</b>	<b>4,900</b>	<b>4,221</b>

### 30 OTHER EXPENSES

( ₹ In Lakhs )

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Consumption of Stores and Spare Parts	217	113
Consumption of Loose Tools	15	23
Rent	377	367
Rates and Taxes	76	120
Bank Charges	366	375
Insurance	234	235
Repairs		
Buildings	182	100
Plant and Machinery	11	135
Others	665	749
	<b>858</b>	<b>984</b>
Travelling Expenses	1,627	1,281
Stationery and Printing	85	62
Postage, Telephone and other Communication Expenses	217	184
Advertising	316	129
Power and Fuel	152	132
Commission	49	26
Loss on foreign currency transactions (net)	-	14
Professional Fees	889	1,169
Motor Car and Van Expenses	216	156
Service Support Expenses	17	13
Loss on Sale of Fixed Assets (Net)	76	-
Trade Receivables/Advances/Claims written off	6	4
Provision for Doubtful Trade Receivables	100	-
Miscellaneous Expenses	552	690
<b>Total</b>	<b>6,445</b>	<b>6,077</b>

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 30.1 Professional fees include :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Amount Paid/Payable to Auditors</b>		
<b>As Auditors (Net of Service Tax)</b>		
- For Audit Fees	16	16
- For Taxation Matters	3	2
- For Others ( Certificates, etc. )	10*	7
- For Expenses reimbursed	2**	1

\* Includes payment to erstwhile auditors ₹ 3 lakhs

\*\* Paid to erstwhile auditors ₹ 2 lakhs

**30.2** Miscellaneous Expenses include ₹ 27 lakhs (Previous Year ₹ 23 lakhs) paid to TIL Welfare Trust, which is considered to be Corporate Social Responsibility expenses by the Company.

### 31.1 C.I.F. Value of Imports :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Parts and Components	24,147	13,620
Machines (Trading Items)	12,629	5,340
Capital Goods	22	2

### 31.2 Expenditure in Foreign Currency :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Travelling	63	40
Erection and Commissioning	310	-
Salary	310	10

### 31.3 Earnings in Foreign Exchange :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Export of goods calculated on FOB basis	5,742	1,026
Selling Commission	308	377

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

**32** The Company has taken certain residential / commercial premises under cancellable operating lease. Leases range for periods between 3 to 5 years. Terms of the lease include operating term for renewal, increase in rent for future periods, terms of cancellation etc. The operating lease payments for the year amount to ₹ 377 lakhs (Previous Year - ₹ 367 lakhs).

### **33 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:**

Particulars		Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Profit for the period attributable to Equity Shareholders ( ₹ In Lakhs )</b>	<b>A</b>	3,667	790
<b>Basic and Diluted :</b>			
i. Number of Equity Shares at the beginning of the year		4,500,000	4,500,000
ii. Number of Equity Shares issued during the year		-	-
iii. Number of Equity Shares at the end of the year		4,500,000	4,500,000
iv. Weighted average number of Equity Shares for Basic EPS	<b>B</b>	4,500,000	4,500,000
v. Add: Effect of Optionally Convertible Preference Shares which are dilutive		101,507	-
vi. Weighted average number of Equity Shares for Diluted EPS	<b>C</b>	4,601,507	4,500,000
<b>vii. Basic Earnings Per Share (₹)</b>	<b>A/B</b>	<b>81.49</b>	<b>17.56</b>
<b>viii. Diluted Earnings Per Share (₹)</b>	<b>A/C</b>	<b>79.69</b>	<b>17.56</b>

**33.1** The Preference Shareholder has waived off its right for dividend for the financial year 2014-15. Accordingly, for the computation of profit attributable to Equity Shareholder no adjustment is considered necessary.

### **34 Segment Reporting in accordance with Accounting Standard 17:**

The Company's business segments are as follows:-

- Construction & Mining Solutions (CMS) - engaged as a dealer for Caterpillar Inc. USA for their earthmoving, construction mining equipments, spares etc. and providing related services in Eastern and Northern India and Bhutan.
- Power Systems Solutions (PSS) - engaged in assembly, supply, erection and commissioning of Generating Sets powered by Caterpillar engines and dealing in spares etc and providing related services in Eastern and Northern India and Bhutan.

Others represent all unallocated expenditure and includes expenses incurred on common services provided to the segments which are not directly identifiable to the individual segments as well as expenses incurred at the corporate level which relate to the Company as a whole.

There has been no inter segment transactions during the year.

The Company operates predominantly within the geographical limits of India, accordingly secondary segments have not been considered.



## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 34 Segment Reporting in accordance with Accounting Standard 17 (Contd.):

(₹ In Lakhs)

	Year Ended 31.03.2015				Year Ended 31.03.2014			
	CMS	PSS	OTHERS (Unallocated)	TOTAL	CMS	PSS	OTHERS (Unallocated)	TOTAL
Segment Revenue *	89,216	23,902	942	114,060	71,233	28,789	686	100,708
Segment Results	8,358	1,025	942	10,325	3,323	1,383	684	5,390
Less : Unallocated expenses net of Unallocated (income)	-	-	-	-	-	-	-	-
Finance Costs			4,900	4,900			4,221	4,221
Profit Before Tax				5,425				1,169
Depreciation and Amortisation	1,491	345	414	2,250	1,456	560	-	2,016
Non Cash Expenses other than Depreciation and Amortisation	76	30	-	106	3	1	-	4
Segment Assets	42,265	15,011	362	57,638	33,764	16,333	344	50,441
Segment Liabilities (excluding Shareholders' funds)	6,682	4,061	30,358	41,101	7,378	5,131	25,035	37,544
Capital Expenditure	3,910	330	429	4,669	2,019	318	1,173	3,510

\* There is no inter segment revenue.

### 35 Related Party Disclosure in keeping with Accounting Standard 18 on "Related Party Disclosures"

#### A) List of Related Parties

Holding Company	TIL Limited
Fellow Subsidiary Company	TIL Overseas Pte Limited Tractors Nepal Private Limited Myanmar Tractors Limited (Till 30th December 2014)
Key Management Personnel	Mr. S. Mazumder (Chairman) Mr. Sunil Kumar Chaturvedi (Managing Director & CEO) Mr. A. Banerjee (Director Finance)
Enterprises over which Key Management Personnel are able to exercise significant influence	TIL Welfare Trust

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 35 Related Party Disclosure in keeping with Accounting Standard 18 on “Related Party Disclosures” (Contd.)

#### B) Particulars of transactions during the year ended 31st March 2015 :

(₹ In Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>I) Holding Company</b>		
a) Asset Usage Charges Paid	13	86
b) Reimbursement of Expenses	124	673
c) Rent Expenses	12	12
d) Rental Income	6	9
e) Sale of Goods	29	33
f) Purchase of Goods	13	1
g) Interest Income	641	180
h) Intercompany Deposits (ICD) given	29,897	24,798
i) ICD repaid	29,897	24,798
j) Year-end Balances		
i) Receivable	27	12
ii) Payable	12	1
<b>II) Fellow Subsidiary Company</b>		
a) Sale of Goods	53	22
b) Purchase of Goods	766	-
c) Year end Balance		
Receivable	33	17
Payable	766	-
<b>III) Key Management Personnel</b>		
Remuneration		
Mr. S. Mazumder	333	411*
Mr. A. Banerjee	** 14	90
Mr. Sunil Kumar Chaturvedi	294	59
b) Year end Balance		
Payable (Mr. Sunil Kumar Chaturvedi)	54	-
Payable (Mr. S. Mazumder)	197	-
<b>IV) Enterprises over which Key Management Personnel are able to exercise significant influence</b>		
Donations	27	23

\* Includes ₹ 127 lakhs pertaining to 2012-13 paid during the year against Central Government approval dated 18th November 2013.

\*\* Payments made for April'14 and May'14.

## Notes to the Financial Statements for the year ended 31st March 2015

(All amounts in ₹ Lakhs, unless otherwise stated) **Contd.**

### 36 A) Derivative outstanding as at reporting date :

(₹ In Lakhs)

Particulars	Purpose	As at 31.03.2015	As at 31.03.2014
Forward contracts (31 March 2015: US Dollar 1.6 Million & EURO 1.1 Million) (31 March 2014: US Dollar 12.28 Million)	Hedge of firm commitments and borrowings	1,835	7,774

### B) Particulars of unhedged foreign currency exposures as at the reporting date

(₹ In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Trade Payables</b> (31 March 2015: US Dollar 0.33 Million) (31 March 2014: US Dollar NIL)	209	-
<b>Trade Receivables</b> (31 March 2015: US Dollar NIL) (31 March 2014: US Dollar 0.66 Million)	-	398
<b>Borrowings</b> (31 March 2015: US Dollar 11.13 Million) (31 March 2014: US Dollar NIL)	6,958	-

**37** Previous year figures have been regrouped/reclassified wherever necessary to correspond with current year classification/disclosure.

### Signatures to Notes '1' to '37'

For and on behalf of Board of Directors

Sumit Mazumder  
Chairman

Kolkata  
29th May 2015

Sunil Kumar Chaturvedi  
Managing Director & CEO

**NOTE** \_\_\_\_\_

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**NOTE** \_\_\_\_\_

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We make our customers more profitable



**TIL LIMITED**

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