



57/SL/SHR/212

January 22, 2018

The General Manager – Corporate Services,
Bombay Stock Exchange Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Stock Code: 504961

Website: listing.bseindia.com

Dear Sir/Madam,

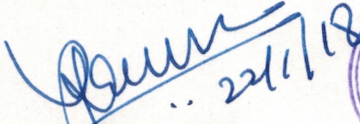
In continuation of our notice dated 11.01.2018, please find enclosed herewith unaudited financial results of the Company for the third quarter and nine months ended December 31, 2017, along with limited review report of the auditors thereon, as approved by the Board of Directors at their meeting held today.

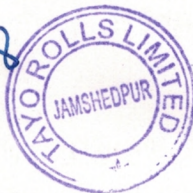
The Board meeting commenced at 6.15 p.m. and concluded at 8.30 p.m.

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

You are requested to kindly take the same on record.

Yours faithfully,
For Tayo Rolls Limited


(Prashant Kumar)
Company Secretary &
Compliance officer



TAYO ROLLS LIMITED

Regd. Office : 3, Circuit House Area (North-East), Road No. 11, P.O. & P.S. - Bistupur, Jamshedpur-831 001, Jharkhand, INDIA

Works Office : Large Scale Industrial Estate, Gamharia-832 108, Jharkhand, INDIA

Office Phone : 91-657-2227821/6508041/2220472 E-mail : tayoregd@tayo.co.in



AMK & ASSOCIATES
Chartered Accountants

Stesalit Tower 303, 3rd Floor
E 2-3, Block EP & GP
Sector V, Salt Lake
Kolkata-700091
Ph- 033-40697147

Sunshine Tower, 7th Floor,
Unit No.: 716,
Senapati Bapat Marg, Dadar (West)
Mumbai- 400013
Ph- 022-24322838

Limited Review Report

To
The Board of Directors
TAYO Rolls Limited

We have reviewed the accompanying statement of unaudited financial results of TAYO Rolls Limited (“the Company”) for the Quarter and Nine Months Ended 31st December, 2017 (“the statement”) being submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5th July, 2016. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors on 22nd January, 2018. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review of Interim Financial Information Performed by issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.





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We draw attention to Note 'a' of the statement wherein it is indicated that the Company has accumulated losses and its net worth has been fully eroded. The Company has incurred a net loss during the current quarter and nine months ended on 31st December, 2017 and the previous year ended 31st March, 2017. The Company's current liabilities exceeded its current assets as on 31st December, 2017. These conditions along with other matters set forth in Note 'a', indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, the financial results of the Company have not been prepared on a going concern basis for the reasons stated in the said note.

Our report is not qualified in respect of this matter.



Kolkata
22nd January, 2018

For AMK & Associates
Chartered Accountants

Bhupendra Kumar Bhutia
Partner
(M.No. 059363)

TAYO ROLLS LIMITED

Registered Office : 3, Circuit House Area (North-East), Road No-11, Bistupur, Jamshedpur- 831 001, INDIA

Corporate Identity Number : L27105JH1968PLC000818

Web site: www.tayo.co.in E-mail Id: tayoregd@tayo.co.in

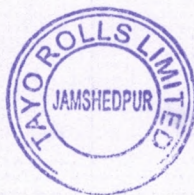
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2017

PART I

Rupees in Lakhs

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	8	-	912	34	4,462	4,664
II Other income	5	-	19	19	101	602
III Total income (I + II)	13	-	931	53	4,563	5,266
IV Expenses						
a) Cost of materials consumed	-	-	213	-	845	900
b) Changes in inventories of finished goods, stock in trade and work in progress	7	-	902	7	2,003	1,988
(c) Excise duty on sale of goods	-	-	100	-	386	443
(d) Employee benefits expense	370	353	464	1,081	2,068	2,206
(e) Finance costs	185	180	393	757	1,267	1,686
(f) Depreciation and amortization expense	158	158	163	325	490	695
(g) Consumption of stores	-	-	9	-	432	673
(h) Power and fuel	2	3	4	9	406	414
(i) Other expenses	75	118	347	387	1,752	2,037
Total expenses (IV)	797	812	2,595	2,566	9,649	11,042
V Loss before exceptional items and tax (III - IV)	(784)	(812)	(1,664)	(2,513)	(5,086)	(5,776)
VI Exceptional Items (Refer note 'b')	-	-	-	605	(2,870)	(2,519)
VII Loss before tax (V - VI)	(784)	(812)	(1,664)	(1,908)	(7,956)	(8,295)
VIII Tax expense:	-	-	-	-	-	-
IX Loss for the year (VII - VIII)	(784)	(812)	(1,664)	(1,908)	(7,956)	(8,295)
X Other comprehensive income						
Items that will not be reclassified to profit and loss						
(a) Remeasurement gains / (losses) on defined benefit plans	-	-	-	-	-	-
(b) Equity instruments through other comprehensive income	-	-	(2)	-	4	2
Total other comprehensive income for the period (X)	-	-	(2)	-	4	2
XI Total comprehensive income/(loss) for the period (IX + X)	(784)	(812)	(1,666)	(1,908)	(7,952)	(8,293)
XII Paid-up equity share capital (Face value : Rs.10 per share)	1,026	1,026	1,026	1,026	1,026	1,026
XIII Other equity						(43,292)
XIV Earnings per share (EPS) (of Rs 10/- each) (not annualised)						
i) Basic and diluted EPS before extraordinary items for the period	(7.64)	(7.91)	(16.22)	(18.59)	(77.54)	(80.84)
ii) Basic and diluted EPS after extraordinary items for the period	(7.64)	(7.91)	(16.22)	(18.59)	(77.54)	(80.84)

(See accompanying notes to the financial results)



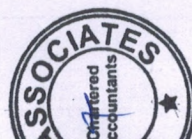
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SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2017

Rupees in Lakhs

Particulars	Quarter Ended			Nine months ended		Year Ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment revenue						
Roll Operation	12	-	533	52	2,693	2,817
Pig Iron Operation		-	274	-	1,485	1,493
Ingot Operation		-	-	-	35	35
Engg Forgings		-	105	-	284	354
Unallocated	1	-	19	1	101	602
Total	13	-	931	53	4,598	5,301
Less-Inter Segment Revenue			-	-	35	35
Total Revenue	13	-	931	53	4,563	5,266
Segment Results Profit / (Loss) before tax and interest from each segment						
Roll Operation	(304)	(334)	(921)	(944)	(3,368)	(3,713)
Pig Iron Operation	(132)	(136)	(147)	(390)	236	(11)
Ingot Operation	(41)	(41)	(140)	(115)	(263)	(265)
Engg Forgings Operation	(78)	(78)	(70)	(216)	(485)	(514)
Net loss for the period (before finance costs, tax and exceptional items)	(555)	(589)	(1,278)	(1,665)	(3,880)	(4,503)
Less-Finance Costs	185	180	393	757	1,267	1,686
Less-Exceptional Item (net)	-	-	-	(605)	2,870	2,519
Add- Other Unallocable expenditure net off unallocable income	44	43	(7)	91	(61)	(413)
Total Profit / (loss) before Tax	(784)	(812)	(1,664)	(1,908)	(7,956)	(8,295)
Particular			As at	As at	As at	As at
			31.12.2017	30.09.2017	31.12.2016	31.03.2017
			Unaudited	Unaudited	Unaudited	Audited
SEGMENT ASSETS						
Roll Operation			2,492	2,493	3,032	3,432
Pig Iron Operation			923	988	1,208	1,117
Ingot Operation			442	453	474	474
Engg Forgings Operation			847	864	1,071	985
			4,704	4,798	5,785	6,008
Unallocated Asset			2,516	1,974	3,542	2,779
TOTAL ASSETS			7,220	6,772	9,327	8,787
SEGMENT LIABILITIES						
Roll Operation			5,117	4,754	6,065	5,529
Pig Iron Operation			1,825	1,780	1,489	1,346
Ingot Operation			117	115	47	40
Engg Forgings Operation			354	351	476	425
			7,413	7,000	8,077	7,340
Unallocated Liabilities			43,981	43,162	43,130	43,713
TOTAL LIABILITIES			51,394	50,162	51,207	51,053



Notes

- a. Consequent to the judgment dated 2 May, 2013 of Honourable Jharkhand High Court with regard to the applicability of power tariff structure on the Company's Induction Furnace Unit from January 2000, the Jharkhand State Electricity Board (JSEB) had raised rectified energy bill dated 10 June, 2013 for Rs. 27,203 lakhs (later claim revised to Rs. 26,361 lakhs). The rectified energy bill was challenged separately before the Honourable Jharkhand High Court. The Company has also contested the judgment dated 2 May, 2013 on the applicability of power tariff structure by way of filing an appeal (Letters Patent Appeal) before the Honourable Jharkhand High Court which has been admitted on merit on 3 July, 2013. The demand raised by JSEB has been considered as contingent liability in the Ind AS financial statements.

JSEB had also initiated certificate proceedings for recovery of Rs. 26,361 lakhs against the Company and Board of Directors, which was challenged before the Certificate Officer. The Certificate Officer in his Order dated 12 December, 2015 has absolved the directors from any liability to the extent the Certificate amount is considered. He also directed JSEB to raise revised bills and the Company to pay the same within 15 days of the Order. JSEB has raised the revised bill dated 24 December, 2015 for Rs. 21,804 lakhs. The Company has also challenged the Order dated 12 December, 2015 of the Certificate officer before the Division Bench of the Jharkhand High Court.

On 18 December, 2015, the Division Bench of Jharkhand High Court has passed its Order that "No Coercive Action" shall be initiated against the Company during pendency and final hearing of these Appeals. The matter is sub-judice.

- b. The Company has incurred a loss of Rs. 784 Lakhs and Rs. 1,908 Lakhs during the quarter and nine months ended 31 December, 2017, respectively and accumulated losses as on date amounting to Rs. 50,741 lakhs has eroded the net worth of the Company and the Company's current liabilities exceeded its current assets. The Company's operating results continue to be materially affected by various factors, particularly high pricing pressures due to overcapacity in roll industry, general economic slowdown and unavailability of future financing. Considering, these factors the going concern assumption is not appropriate for preparing the Ind AS financial statements and these Ind AS financial statements have been prepared on other than going concern basis. Accordingly, the assets have been stated at the lower of their historic cost and estimated net realisable value and the liabilities have been stated at the values at which they are expected to be discharged.

The Board of Directors in the meeting held on 26 May 2016 had approved a Voluntary Separation Scheme (the VSS Scheme) for employees and a phase wise suspension of operations. The Company issued a VSS circular on 31 May, 2016 to all its employees and having evaluated the response from employees subsequently revised the scheme on 5 September, 2016, 28 October 2016, 9 March, 2017 and 15 May, 2017. The Company, post expiry of the revised VSS, had reviewed the remaining provision against the expenditure, and has considered the balance amount to be adequate to meet the present obligation and probable outflow to settle the current obligation. During the nine months ended 31 December, 2017 the Company has undertaken negotiations for one time full and final settlement of vendors liabilities. Consequent to such settlement, a write back of excess liabilities over the settled amount aggregates to Rs. 605 lakhs has been recognized as an exceptional item.

The Board of Directors had referred the Company to the Board for Industrial and Financial Reconstruction (BIFR) as required under the First proviso of section 15 (1) of The Sick Industrial Companies (Special Provisions) Act, 1985 and the Company is registered with BIFR on 23 March, 2016. Meanwhile, the Ministry of Finance issued Notifications S.O. 3568 (E) & S.O. 3569 (E) dated 25 November, 2016 to the effect that SICA has been repealed with effect from 1 December, 2016 and all the references or inquiry pending before the BIFR and/or AAIFR shall stand abated.



The Board of Directors at their meeting held on 3 July, 2017 has decided to refer the Company to the National Company Law Tribunal under Section 10 of the Insolvency and Bankruptcy Code, 2016 for initiation of Corporate Insolvency Resolution Process. Subsequently, on 13 July, 2017, the Company has filed relevant application before the National Company Law Tribunal, Kolkata under Section 10 of the Insolvency and Bankruptcy Code, 2016, which was rejected on 22 December, 2017. The Company has filed an appeal before the National Company Law Appellate Tribunal against the aforesaid order.

- c. The Board of Directors at their meeting held on 5 September, 2016 have decided to close the operations of the Company. Accordingly, on 6 September, 2016 the Company has filed closure application U/s 25-O of the Industrial Disputes Act, 1947 with the State Government Authorities, which was rejected on 27 October, 2016. The Company has filed a Writ Petition before the Honourable Jharkhand High Court against the rejection order. The matter is sub-judice.
- d. During the period ended 31 December, 2017, the Company has allotted 76,25,000, 7.17% Non-Cumulative Redeemable Preference Shares aggregating to Rs. 7,625 lakhs to Tata Steel Limited, the promoter of the Company on preferential basis.
- e. The Board of Directors at their meeting held on July 31, 2017 have approved the shifting of Registered Office of the company from: Annex-2, General Office, Tata Steel Limited, Bistupur, Jamshedpur- 831001 to: 3, Circuit House Area (North-East), Road No-11, Bistupur, Jamshedpur- 831 001.
- f. The above financial results were reviewed by the audit committee at their meeting held on 22 January, 2018 and approved and taken on record by the Board of Directors of the Company at their meeting held on 22 January, 2018.

Kolkata
22 January, 2018

For TAYO ROLLS LIMITED



(K. Shankar Marar)
Director
DIN - 06656658

