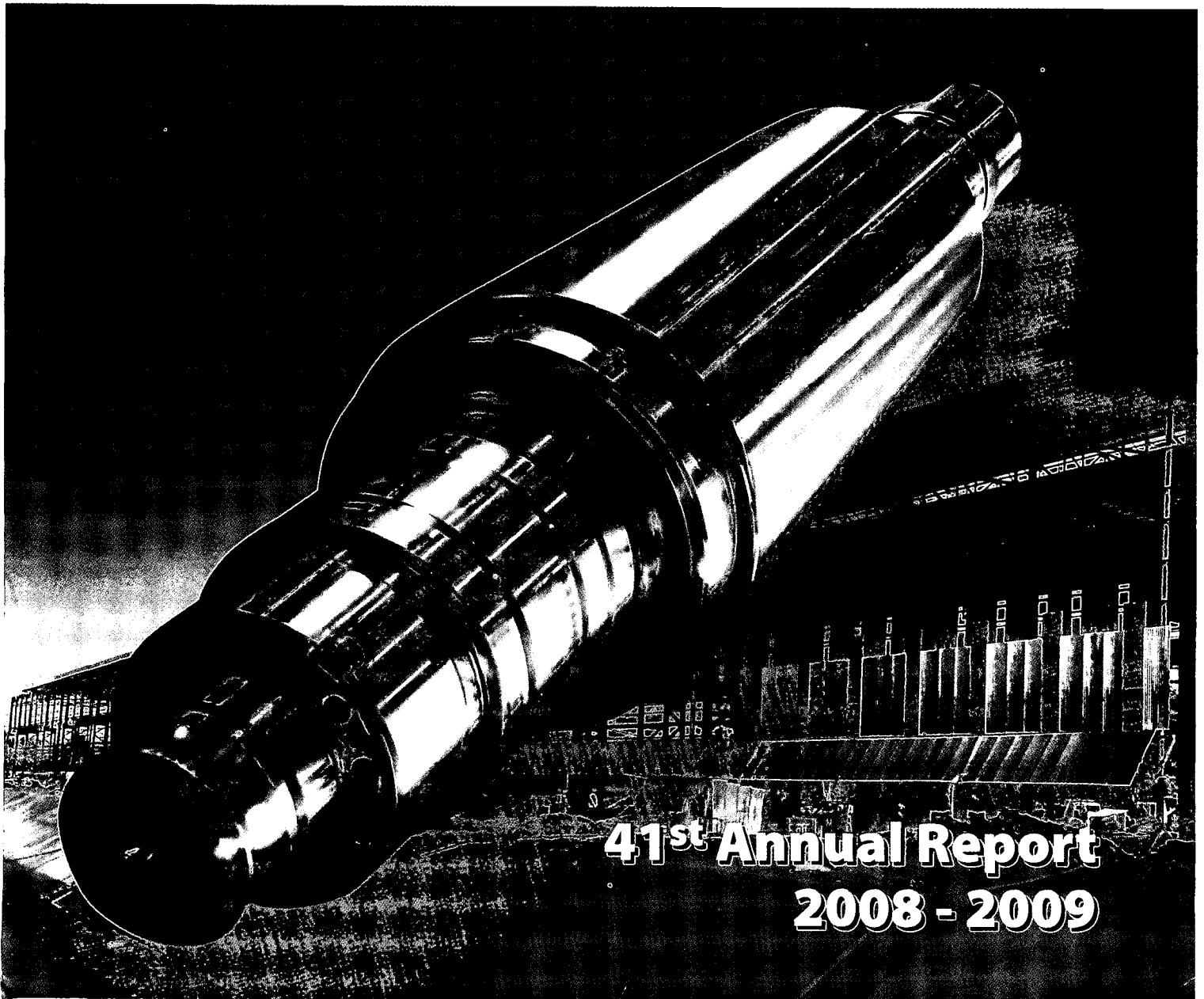


TAYO ROLLS LIMITED

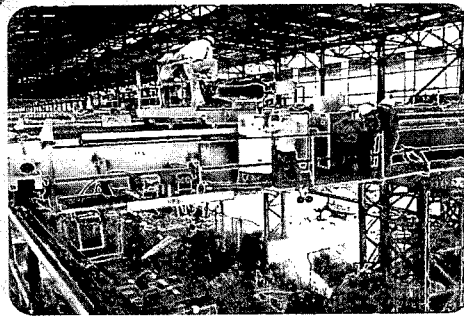
A **TATA** Enterprise



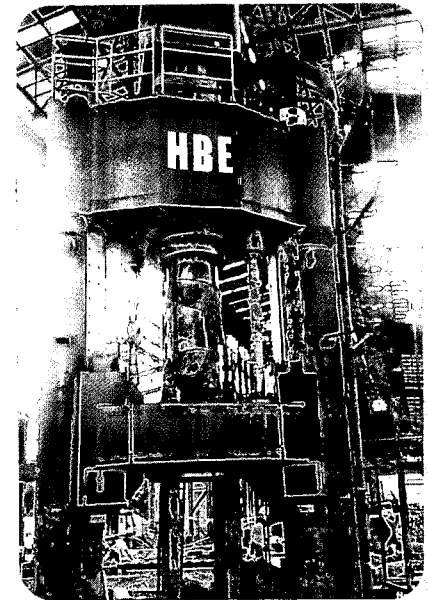
41st Annual Report
2008 - 2009



Induction Hardening
Equipment under Erection



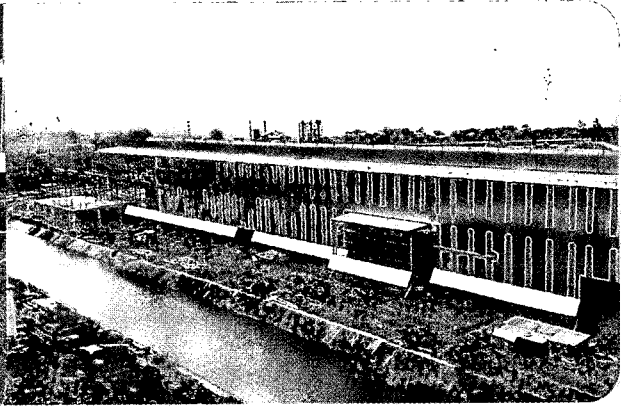
Crane Erection



2500t Press & 25t Manipulator
Erection in progress



Rain Water Harvesting



Forge & IH Shop Shed in progress



First Cast Polygonal Ingot



First Cast Round Ingot



TAYO ROLLS LIMITED

Regd. Office : XLRI New Administrative Building, XLRI Campus,
Circuit House Area (E), Jamshedpur 831 001.

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the FORTY-FIRST ANNUAL GENERAL MEETING of the Company at Centre for Excellence, Jubilee Road, Jamshedpur 831 001, at 4.00 p.m. on Wednesday, the 2nd September, 2009.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. /DP ID No.* & Client id No.*
*Applicable for members holding shares in electronic form.

.....
Full name of Proxy
(in block capitals)

.....
Signature

NOTE : Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

PROXY FORM

I/We
of in the district of being
a Member/Members of the above named Company, hereby appoint
of in the district of or failing him
..... of in the district of

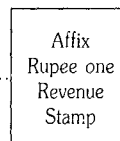
as my/our Proxy to attend and vote for me/us and on my/our behalf at the FORTY-FIRST ANNUAL GENERAL MEETING of the Company, to be held on 2nd September, 2009 and at any adjournment thereof.

Signed this day of 2009.

Folio No. /DP ID No.* & Client id No.*
*Applicable for members holding shares in electronic form.

No. of Share(s)

Signature



This form is to be used $\frac{\text{@ in favour}}{\text{@ against}}$ of the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

@ Strike out whichever is not desired.

NOTES : (i) The proxy must be returned so as to reach the Registered Office of the Company at XLRI New Administrative Building, XLRI Campus, Circuit House Area (E), Jamshedpur 831 001, not less than FORTY-EIGHT HOURS before the time of holding the aforesaid meeting.

(ii) Those members who have multiple folios with different jointholders may use copies of this Attendance Slip/Proxy.



NOTICE

THE FORTY-FIRST ANNUAL GENERAL MEETING OF TAYO ROLLS LIMITED will be held at Centre for Excellence, Jubilee Road, Jamshedpur 831 001, on Wednesday, September 02, 2009, at 4.00 p.m., to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Audited Profit and Loss Account for the year ended on that date together with reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. S. K. Bhattacharyya who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. S. N. Menon who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Special Business

5. To appoint a Director in place of Mr. Osamu Nishimura who was appointed as an Additional Director of the Company with effect from 24th January, 2009, and who holds office under Section 260 of the Companies Act, 1956, upto the date of the Annual General Meeting, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing him for the office of Director.

TAYO ROLLS

Forty-First annual report 2008-09

NOTES:

1. The relative Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under item no. 5 above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Register of Members and Share Transfer Books of the Company will remain closed from August 27, 2009 to September 2, 2009, both days inclusive.
4. Shareholders are hereby advised that while opening a depository account, they should give their bank account details. The bank mandate for shares held in physical form will not automatically be applied for shares held in electronic form.
5. Members are requested to notify promptly their change in address, if any, to TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Ind. Estate, 20, Dr.E.Moses Road, Mahalaxmi, Mumbai 400 011, specifying the new address in block letters giving the correct PIN code number.
6. All unclaimed dividends upto the financial year ended 31st March, 1995, have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No.II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to -

Office of the Registrar of Companies,
Bihar & Jharkhand,
Dak Bungalow Road,
Mourya Lok, 'A' Block (4th Floor),
Patna 800 001.

By Order of the Board

G. VAIDYANATHAN
Secretary & Executive Officer

Registered Office:

XLRI New Administrative Building
XLRI Campus, Circuit House Area (East)
Jamshedpur 831 001.
6th May, 2009.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956, the explanatory statement sets out all material facts relating to the business mentioned in item no. 5 of the accompanying Notice dated 6th May, 2009.

Item No. 5

Mr. Osamu Nishimura was born in 1949 in Kyoto, Japan. In 1973, he graduated from Kyoto University, Kyoto, Japan in Metallurgical Engineering, the Department of Technology. He started his career in engaging himself in roll manufacturing in Osaka Plant of Yodogawa Steel Works Ltd., where he worked for 23 years (1973-1995). In 1995, he joined Ichikawa Plant of Yodogawa, manufacturing Steel flat products. In 2003, he became the General Manager of Ichikawa Plant.

The Directors commends the resolution at Item No. 5 for approval of the members.

None of the Directors, except Mr. Osamu Nishimura, is concerned or interested in the business under Item No. 5 of the notice.

By Order of the Board

G. VAIDYANATHAN
Secretary & Executive Officer

Registered Office:

XLRI New Administrative Building
XLRI Campus, Circuit House Area (East)
Jamshedpur 831 001.
6th May, 2009.

TAYO ROLLS

Forty-First annual report 2008-09

Details of Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting.

(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Dr. S. K. Bhattacharyya	Mr. S. N. Menon	Mr. Osamu Nishimura
Date of Birth	25.12.1945	20.09.1946	05.01.1949
Date of Appointment	31.12.2005	15.10.2007	24.01.2009
Expertise in specific functional areas	Production, HR and General Management	Administration and General Management.	Roll Engineering and General Management
Qualification	BE (Metallurgy), Doctorate of Science	M.A. (History), Delhi University. Hubert H. Humphery North-South Fellowship under the Fulbright Programme, University of Minnesota, USA.	Metallurgical Engineering Graduate, Kyoto University, Kyoto, Japan
List of Companies in which outside Directorship held as on 31 st March, 2009.	<ul style="list-style-type: none"> - National Fertiliser Ltd. - Hindustan Organic Chemicals Ltd. - Beekay Steel Industries Ltd. 	<ul style="list-style-type: none"> - Nicco Park & Resort Ltd., - Chairman. - Bombay Stock Exchange Ltd. - West Bengal State Electricity Distribution Co. Ltd. - McLeod Russel India Ltd. - Voltas Ltd. - Bengal Peerless Housing Development Co. Ltd., - Chairman. 	Nil
Chairman/Member of Committees of Board of Companies on which he is a Director as on 31 st March, 2009.	<ul style="list-style-type: none"> National Fertiliser Ltd. - Audit Committee, Member. Beekay Steel Industries Ltd. - Audit Committee, Member - Shareholder's Grievance Committee, Member - Remuneration Committee, Member 	<ul style="list-style-type: none"> Bombay Stock Exchange Ltd. - HR & Remuneration Committee, Member. McLeod Russel India Ltd. - Audit Committee, Member. 	Nil
Shareholding in the Company as on 31 st March, 2009.	Nil	Nil	Nil
Category	Non-Executive Independent Director.	Non-Executive Independent Director.	Non-Executive Promoter Director.

Registered Office:
XLRI New Administrative Building,
XLRI Campus, Circuit House Area (East),
Jamshedpur 831 001.
6th May, 2009.

By Order of the Board

G. VAIDYANATHAN
Secretary & Executive Officer



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Annual General Meeting on Wednesday, 2nd September, 2009 at Centre for Excellence, Jubilee Road, Jamshedpur at 4.00 p.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General meeting. Shareholders are requested to kindly bring their copies to the meeting.

Board of Directors

(As on 6th May, 2009)

Mr. Anand Sen (Chairman)

Dr. S. K. Bhattachrayya

Mr. Vijay Mathur

Mr. S. N. Menon

Mr. Dipak Banerjee

Mr. V. S. N. Murty

Mr. Osamu Nishimura

Mr. P. C. Srivastava (Managing Director)

Management Team

(As on 6th May, 2009)

Mr. P. C. Srivastava – Managing Director

Mr. P. Hariharan – Chief Financial Officer

Mr. Abhijit Mitra – Vice President (Operations)

Mr. Sushil Ray – Vice President (Marketing)

Mr. N. G. Murty – General Manager (Projects)

Mr. G. Vaidyanathan – Company Secretary & Executive Officer

REGISTERED OFFICEXLRI New Administrative Building
XLRI Campus, Circuit House Area (East)
Jamshedpur 831 001

BANKERSBank of India
IDBI Bank Ltd.
State Bank of India

AUDITORSMessrs. Deloitte Haskins & Sells
Chartered Accountants

SHARE REGISTRARSTSR Drashaw Limited
6-10 Haji Moosa Patrawala Industrial Estate
20, Dr. E. Moses Road
Mahalaxmi, Mumbai-400 011

Investors Dedicated E-Mail:investors_helpdesk@tayo.co.in

Chairman's Statement

Dear Shareholders,

The year 2008-09 witnessed unprecedented financial crisis resulting from meltdown in the global economy. The second half of the fiscal year has been a nightmare for the industries with many of the leading companies resorting to lay-off and closing down of some unviable operations/facilities. The consumption bottomed down affecting the demand. The financial crisis had major impact on investment flow and availability of funds.

However, the situation for the Indian industry was not as severe, although, exports from the country were badly hit. The timely introduction of market friendly fiscal measures has restrained the effect of the meltdown on the Indian industry.

Crude steel production across the world has been registering negative growth. Though it was same for India, the rate of decline was less compared to most other major steel producing countries. All the steel majors resorted to the production cuts and introduced various cost saving initiatives. Major capacity expansion and green field projects were put on hold. However, there have been initial signs of revival with some recovery in demand. Situation in India is improving slowly and steadily.

During the year 2008-09, your Company had to face multiple challenges. In the first half of the year inadequate power supply in and around the industrial area where your Company is located affected the production and dispatch. Second half began with the meltdown with market becoming unfriendly to your company. Customers cut their planned production and opted for the deferment of ordered quantities of rolls. This resulted in the lower volume of despatch affecting the performance.

The first half of the fiscal year 2008-09 witnessed a good performance in the pig iron segment. However, in the second half there was a sudden reversal of the situation leading to steep fall in the prices of the pig iron. The prices of the input raw material particularly imported LAM Coke also fell drastically. The Company, which was carrying inventory of high cost imported LAM Coke had to write off the cost to bring it to market price. This eventually affected the performance of the pig iron segment as well.

The Company is taking several initiatives to manage this critical situation. Several new measures have been

introduced to cut down the cost and enhance the contribution by addressing product-mix and market-mix. In the given scenario, your Company is going ahead with enriching the product-mix of rolls by offering high quality rolls to its customers. The transfer of technology for upgrading and manufacture of Hi-speed, Semi Hi-speed Rolls and Super Nickel Grain Rolls in Technical Collaboration with Yodogawa Steel Works Limited, Japan, is under way. This would help your company in entering new high end market and be one among very few in the world to manufacture such rolls.

The Company during October/November, 2008, issued a Letter of Offer to its existing shareholders for subscribing to the Rights Issue aggregating to Rs.60.36 crores. The issue was successful with the support of the promoters. The new shares have been listed on the Stock Exchange. The proceeds from the Rights Issue are being utilized for the integrated Forgings and Forged Rolls Project. The first stage of the project, the facilities for the manufacture of Forging Quality Ingots has been commissioned and the trial production is underway. The erection of Forging Press and Induction Hardening facilities for manufacture of Forged Rolls is under progress.

With commissioning of these new facilities, your company will be fully equipped to produce high quality forged rolls and cast rolls through a totally integrated manufacturing process and technology from Sheffield Forgemasters, UK for forged rolls and Yodogawa Steel, Japan for Hi-end cast iron rolls. It would also give an opportunity to your company to diversify into engineering forgings for Oil, Gas and Energy sector, thus minimizing overdependence on cyclic steel industry.

I would like to place on record my sincere thanks to all our employees for their commitment and contribution. I would also like to thank the TAYO Workers' Union for their continued support in these challenging times. I thank all my colleagues on the Board for their valuable guidance.

With regards,

Jamshedpur
May 06, 2009

Anand Sen
Chairman

TAYO ROLLS

Forty-First annual report 2008-09

HIGHLIGHTS

			2008-2009	2007-2008	2006-2007
OPERATIONAL					
Production	- Rolls	Tonnes	8333	10601	11608
	- Pig Iron	Tonnes	20030	30736	29815
	- Special Castings	Tonnes	128	163	697
Sales	- Rolls	Tonnes	7850	10888	11422
	- Pig Iron	Tonnes	17761	28600	27834
	- Special Castings	Tonnes	128	163	697
Capacity Utilisation	- Rolls	Percent	62	79	86
	- Pig Iron	Percent	50	77	76
FINANCIAL					
Turnover (Gross)		Rs. lakhs	18930	24679	22155
Depreciation		Rs. lakhs	354	422	493
Profit before tax		Rs. lakhs	(1840)	983	1533
Profit after tax		Rs. lakhs	(1674)	635	1063
Net Worth per share		Rupees	88	86	76
Transfer to General Reserve		Rs. lakhs	-	450	450
Shareholder's Funds		Rs. lakhs	8986	4729	4165
Capital Expenditure		Rs. lakhs	8957	2098	278
Employee's Cost		Rs. lakhs	2719	2408	2194
Dividend		Percent	-	40	42.50

Directors' Report

The Directors have pleasure in presenting the Forty first Annual Report on the operations of the Company and the financial accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

	Rupees Lakhs	Previous year Rupees Lakhs
2. a) Profit before Depreciation, Tax and Exceptional items	(1346.19)	1557.94
b) Deduct : Depreciation	354.13	421.56
c) Profit before Tax and Exceptional items	(1700.32)	1136.38
d) Add: (Deduct) Exceptional items	(139.20)	(152.94)
e) Profit before tax	(1839.52)	983.44
f) Tax :		
i) Current Income-tax (Net)	-	269.94
ii) Deferred tax previous year	(191.11)	52.22
iii) Fringe benefit tax	25.21	26.21
	(165.90)	348.37
g) Profit after tax	(1673.62)	635.07
h) Add: Balance brought forward from the previous year	544.11	615.16
i) Balance	(1129.51)	1250.23
which the Directors have appropriated as under, to		
i) General Reserve	-	450.00
ii) Proposed Dividend	-	218.91
iii) Additional Income Tax on Dividend	-	37.21
TOTAL	-	706.12
Leaving a Balance of to be carried forward	(1129.51)	544.11

DIVIDEND

3. The Directors have decided not to recommend any dividend for the year ended 31st March, 2009.

OPERATION AND SALES

4. During the year under review, the Company achieved a turnover of Rs.189.30 crores against Rs.246.79 crores in the previous year. The production and sale of rolls were 8,333 t and 7,850 t. respectively as against the production and sales of 10,601 t. and 10,888 t. respectively in the previous year. This includes the sale of forged rolls of 483 t. against 1,169 t. in the previous year. The global meltdown had its severe impact on the steel industry, which compelled the steel manufacturers to cut down their planned production and rationalize the inventories.

Therefore, the delivery of rolls against the orders placed were deferred which significantly reduced the production and sale of rolls during the year.

5. During the year under review, the production and sale of pig iron were 20,030 t and 17,761 t. respectively compared with 30,736 t. and 28,600 t. in the previous year. The slow down had affected the pig iron off-take by various foundry units dependent on general casting and automobile casting. Not only volume was affected, the prices also dropped significantly, eroding the margins.

6. During the year under review, in the given conditions, the Company posted a net loss of Rs.16.74 crores against the profit after tax of Rs.6.35 crores in the previous year. The loss includes write down of Rs.5.73 crores on account of valuation of imported LAM coke at replacement cost as on 31.12.2008.

7. During the year under review, the Company cast rolls export was 2,165 t. compared to 2,844 t. in the previous year. In value terms, the exports during the year was Rs.24.20 crores compared to Rs.28.37 crores in the previous year.

FINANCIAL AND WORKING CAPITAL MANAGEMENT

8. Following the sub-prime crisis in the global financial market, the liquidity condition was seriously affected in the Indian financial market as well. High interest rates prevailed in the major part of the year. During second half of the year the poor liquidity conditions in the steel sector has impacted the collection of outstanding from the customers. This together with high inventory levels due to poor off-take of rolls/pig iron, created a pressure on the working capital requirement. Towards the end of the year with several initiatives taken, the inventory levels have been brought down. Additional borrowings had to be done to supplement the normal cash credit facility available with the banks.

9. The lending rates of bank which were raised upwards in the middle of the year gradually brought down with the initiatives and thrust given by RBI to ease the monetary conditions. To optimize the interest cost, the Company resorted to buyers' credit/export packing credit at competitive rates.

10. The Term Loan availed in earlier years from IDBI for financing the Cast Roll expansion has been repaid on time and a balance of Rs.88 lakhs is remaining to be paid as on 31st March, 2009.

11. To part finance the capital expenditure on Integrated Forgings and Forged Roll project, the Company has so far availed a term loan of Rs.52 crores. The loans would be repaid over a period of 7 years with 2 years moratorium.

12. The Company has completed the BASEL II rating which has become mandatory now, as per Reserve Bank of India guidelines to various Bankers. The CRISIL, has assigned AA-/Negative rating for term loan and working capital (fund based limit) and P1+ for working capital non-fund based limit. In addition CRISIL has reaffirmed P1+ for commercial paper upto Rs.20 crores and FAA for Fixed Deposit Programme.

TECHNOLOGY AND GROWTH

Cast Rolls -

13. As a part of the Company's endeavour to upgrade its roll making technology and move towards high value grades in the cast roll segment, the Company entered into a Technical Know-how and Licence Agreement with Yodogawa Steel Works Limited, Japan, for transfer of technology to upgrade/manufacture High Speed Steel Rolls, Semi-High Speed Steel Rolls and Super Ni-Grain Rolls. The training of the technical persons (1st batch) of TAYO at Yodogawa has been completed and the casting of rolls under the agreement will take place soon. This would take the Company to a higher platform to cater to the Niche market both in domestic and international markets.

Forgings and Forged Rolls -

14. The erection of various equipments for the Integrated Forgings and Forged Roll Project is going on in full swing. The Electric Arc Furnace (revamped), LF and VD along with various connected utilities and Water system, etc. have been commissioned. The first trial heats of Forging Quality Ingots was taken on 26.2.2009. The Company has also taken two trial heats of Round Ingots in the month of March'09. Technical team from Sheffield Forgemasters International Limited, Technology Partner, has supervised the erection and commissioning of these equipments and the technical parameters. The commercial production is expected to commence by end-June/early July, 2009.

Forge Shop and Induction Hardening Roll Shop -

15. The erection of 2,500 t. open die forging press supplied by HBE, South Korea, is under progress, which is being done under the supervision of the suppliers technical team. Various support facilities are being added to forging press to ensure commissioning by August'09 and commercial production is expected to commence by October'09.

16. The work on induction hardening equipment supplied by Inductotherm, Belgium, for the manufacture of forged rolls is in progress and the

trial run is expected by July/August'09 and the commercial production of Forged Rolls is expected in October, 2009.

17. The technical collaborator, Sheffield Forgemasters International Limited, U.K., is imparting training as per the agreement. During February, 2009, a team of engineers from SFIL supervised the erection and commissioning of Arc Furnace, Ladle Furnace and VD. The total project cost has been revised from Rs.142.50 crores to Rs.157 crores to provide for additional equipments on the recommendation of the technical collaborators.

RIGHTS ISSUE

18. With the consent of the Company, the Rights Issue size was revised from Rs.46 crores to Rs.60.34 crores. Accordingly, the Company issued 47,88,700 fully paid-up equity shares of Rs.10 each at a premium of Rs.116 per equity share on Rights basis to the existing shareholders in the ratio of 7 fully paid-up equity shares for every 8 equity shares as on the record date i.e., October 10, 2008, aggregating to Rs.6033.76 lakhs through letter of offer dated October 14, 2008. The issue opened on October 29, 2008 and closed on November 19, 2008.

19. The Promoters (Tata Steel Limited, Yodogawa Steel Works Limited and Sojitz Corporation) contributed to the unsubscribed portion over and above their entitlement under the issue. The Committee of Directors - Rights Issue at their meeting held on December 1, 2008, allotted 47,86,135 equity shares of Rs.10 per share fully paid-up aggregating to Rs.6,030.53 lakhs. The Rights issue proceeds are being utilized for the Forging and Forged Roll project. During the year, with the consent of the Board a sum of Rs.1,700 lakhs has been utilized for the working capital requirement, which is being replenished.

20. Effective December 1, 2008, the Company has become the subsidiary of Tata Steel Limited. The new shares have been listed in the Bombay Stock Exchange. Due to de-recognition of Magadh Stock Exchange (MSE), Patna, the new equity shares could not be listed in the MSE.

CONTINGENT LIABILITIES AND MAJOR LITIGATIONS

21. The special leave petitions filed, before the Hon'ble Supreme Court, by the Company, as well as the Bihar State Electricity Board (BSEB) challenging the orders of the Hon'ble Patna High Court dated 26.6.2000 on the fuel surcharge rates for the years 1996-97 onwards, were heard on 26.4.2006 and 27.4.2006. The Supreme Court vide its order dated 15th April, 2009, upheld the decision of the Hon'ble Patna High Court with a direction to rework the rates of fuel surcharge.

22. The writ petition filed by the Company challenging the applicability of the power tariff structure on the Company's Induction Furnace unit from 1.9.1999 is pending before the Hon'ble Jharkhand High Court.

BUSINESS EXCELLENCE

23. The company in its quest towards excellence, continues to participate in the Tata Business Excellence Model (TBEM) and JRD QV Award process. In this journey, during the year several initiatives have been taken to strengthen the journey towards excellence.

24. On the TPM journey, in addition to the 8 Manager Model Machines, 8 Operator Model Machines have been taken up for deployment of Jishu Hozen. Active work on the other pillars such as Planned Maintenance, Education and Training etc are in progress.

25. During the year, audit for re-certification of QMS, EMS and OHSAS was conducted by M/s. IRQS. The company is now certified for the Integrated Management System which includes all the three above systems.

COMMUNITY INITIATIVES

26. Community Initiatives form an integral part of the Company's business process activity. The Company has been associated with various Institutions, Social Organisations and Educational Institutions for promoting the implementation of welfare activities undertaken by them towards the

growth and benefit of the Community in and around our Company's Plant.

27. During the year under review, the Company in association with the Human Rights Organisation (Jamshedpur Unit) organized a two-day free Acupressure Treatment Camp for the Community in and around the works in which large number of people participated and benefitted from the programme. In association with the Tata Steel Family Initiatives Foundation, an Aids Awareness Programme followed by Oral Quiz Competition was organized at Tata Complex Colony, Gamharlia which was well received by the participants.

28. The recent floods had caused massive loss of life and property in the State of Bihar. To help the needy and with a view to express our sincere concern for the affected people and areas, the Company contributed a matching fund, of that of its employees one-day wages, to the Tata Relief Committee towards undertaking relief activities in the North Bihar affected areas.

SAFETY, HEALTH AND ENVIRONMENT

29. The Company always gives thrust on Safety, Health and Environment of the employees, company and the community at large. The level of awareness and standards are visible through training programmes conducted from time to time and Safety Campaigns being held every alternate month followed by competitions conducted on these subjects.

30. With the whole-hearted support and co-operation of employees, the target of Zero-Accident has been maintained successfully for thirty consecutive months. Compliance to EHS legislations is achieved through implementation of the Environmental Occupational Health and Safety Policy of the Company which ensures continual improvement on these fronts.

31. World Environment Day was celebrated on 5th June, 2008 where Senior Executives and Union Officials addressed the employees on the theme "Kick The Habit! Towards a Low Carbon Economy". The greenery and trees maintained at the Works ensures Dust and Pollution-free environment throughout the year.

32. The National Safety Day was observed at the Works on 4th March, 2009. On this occasion, the

Safety and Health Pledge was read by employees and it was impressed to adhere to safety norms and use Personal Protective Equipment religiously on duty. The employees were also made aware of the theme laid down by the National Safety Council on -"Take Safety To All Employees-Whether Organised Or Unorganised".

AFFIRMATIVE ACTION

33. Tata Code of Conduct on Affirmative Action has been adopted by the Company effective 01.10.2008. The Company is actively guided in implementing the Code by arousing awareness amongst employees on the subject through the Employee Awareness Programmes and other training programmes being conducted from time to time. The base data compiled on Affirmative Action indicates a positive trend in the direction of recruitment of employees, trainees and apprentices over the years.

DIRECTORS

34. In accordance with the provisions of Companies Act, 1956, and Articles of Association of the Company, Dr. S. K. Bhattacharyya and Mr. S. N. Menon retire by rotation and being eligible offer themselves for re-appointment.

35. Mr. Osamu Nishimura was appointed as Additional Director with effect from 24th January, 2009. Pursuant to Section 260 of the Companies Act, 1956, Mr. Nishimura holds office upto the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, proposing Mr. Osamu Nishimura for the office of Director, subject to retirement by rotation.

DIRECTORS' SHAREHOLDING

36. The shareholding of Non-executive Directors in the Company is NIL. Mr. P. C. Srivastava, Managing Director, holds 843 equity shares of Rs.10/- each in the Company.

RESPONSIBILITY STATEMENT

37. Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm that -

(a) in the preparation of annual accounts, the applicable accounting standards have been followed

and that there are no material departures;

(b) they have, in the selection of the accounting policies, consulted the statutory Auditors and have 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 2008-09 and of the profit of the Company for that period;

(c) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis.

LISTING AGREEMENT

38. Pursuant to Clause 49 of the listing agreement with Stock Exchanges, a note on Management Discussion and Analysis and Corporate Governance are made part of this Annual Report.

PARTICULARS OF EMPLOYEES

39. The details of employees who were in receipt of remuneration of Rs.24,00,000 and above during

the financial year under review or Rs.2,00,000 and above per month, pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are furnished on page 46.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

40. In terms of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars in respect of (a) Conservation of Energy (b) Technology Absorption and (c) Foreign Exchange Earnings and Outgo are furnished on pages 45 & 46.

AUDITORS

41. Messrs. Deloitte Haskins & Sells, Auditors, retire and being eligible, offer themselves for re-appointment. They have furnished a certificate to the Company that their re-appointment, if made, will be in accordance with Sub-section (1B) of Section 224 of the Companies Act, 1956.

On behalf of the
Board of Directors

Jamshedpur
6th May, 2009.

Anand Sen
Chairman

MANAGEMENT DISCUSSION & ANALYSIS**Business Review and Outlook**

The year 2008 started with a buoyant note with expectations for a continued growth momentum in the steel sector and strong demand in steel products. This trend continued upto first half of 2008, however, there was a significant reversal in the situation towards the second half of the year. The impact of global financial crisis on India showed that our economy is not delinked from the matured market economies across the globe. While the regulatory regime in Indian financial sector has restricted the impact, but could not provide complete immunity to the Indian economy. The credit crunch and high interest rates have delayed implementation of the infrastructure project and capacity expansion of steel industry.

The slow down had also impacted the automobile sector and important steel consumable sector to a great extent. In this background the demand for steel was seriously affected and steel manufacturers across the country and globally were forced to cut down their production and re-set their inventory levels.

The Government has been successfully monitoring the steel sector regarding production, supply and consumption and initiated several measures to revive the demand through developmental project and various fiscal measures.

Looking ahead, the revival measures taken by the Government have already started showing revival trend. It is expected that steel output would pick up in the next fiscal year, backed up by healthy demand for long steel products used in the infrastructure and housing sectors. The automobile sector on the backdrop of correction in steel prices against the peak levels is also showing slight signs of revival. Reportedly the finished steel product is expected to grow by 6.5% in 2009-10 as compared to the estimate of 10.5%. The total finished steel capacity of the industry is also expected to go upto 70 M.T.

Despite the global slow down, on a long term horizon, India will be amongst the top destination for setting up steel capacity. Major steel players in the world continues to show keen interest in setting up capacity in India, though there have been delays in some of the projects due to land and other issues and the recent financial crisis.

The roll industry being dependent on steel industry, suffered due to the poor off-take by the steel manufacturer. Steel Plants have resorted to postponement of deliveries against the firm orders placed and also no fresh orders were forthcoming. The roll manufacturers had to bear the brunt with high inventory levels of rolls which are either finished or in process. The Company is no exception to the situation and had to curtail its production and dispatch. This has resulted in high inventory levels towards the close of the year. The on going liquidity crisis has also led to the postponement of payments by the customers for supplies already made during the year. This trend is likely to continue upto the first half of FY'10. Within the steel industry the meltdown had impacted flat product much more than long product. The Company being predominantly flat product roll manufacturer, had to face similar crisis.

To face this challenging situation and to protect its margins, the Company has taken various initiatives in cutting the cost and resorting to many improvement initiatives. In tandem with the global trend, prices of inputs especially fe-alloy and scrap will have downward impact in the next financial year which would enable the Company to re-set its margins. Simultaneously, the Company is keeping close watch on the development in the steel industry to gradually phase out its growth plans on cast roll segment. The capital expenditure plan for expansion of the cast roll capacity from 13,500 t. p.a. to 15,000 t. p.a. is being re-looked and the facilities will be put up at an appropriate time.

The Company continues to focus on the value added grades and enrich its product-mix. In this connection, the Company having tied up with Yodogawa Steel Works Limited, Japan, for transfer of Know-How for manufacture of High Speed Steel Rolls, Semi High Speed Steel Rolls and Super Ni-Grain Rolls, would have a distinct edge in the domestic market. The Company will be the first Indian roll manufacturer to introduce HSS and Semi-HSS Rolls in the modern mills in the country. The work on this is going on at full swing and the HSS and Semi-HSS Rolls are expected to be rolled out by middle of FY'10. This will also give the Company an added strength in the global market.

In order to improve the operation efficiency and save

energy cost, the Company has installed a 8 t. Induction Furnace at its Melt Shop. Several initiatives have been taken to improve the yield. Casting of Plate Mill Rolls (30 t.) through Centrifugal Casting route has resulted in significant improvement in the yeild. The Company continues its thrust on development activities to improve the variant in the existing grades of rolls to enhance the value for its customers.

The global slow down has impacted the exports of rolls during the year. Despite the slow down the Company has exported 2,165 t. of rolls during the year, 29% of the total cast roll sales. As a long term measure, the Company is working closely with Group's overseas Company like CORUS to become a preferred supplier of rolls to them.

During the year, the Company supplied 483 t. of Forged Rolls to its customers by importing hardened blanks and finish machining at its Machine Shop. After completion of the Forged Roll project, the Company will be the only one of its kind in India to manufacture both cast rolls and forged rolls at a single location.

Backed up by the technology of Sheffield Forgemasters International Limited (SFIL), U.K., the Company is poised to become a formidable manufacturer of forged rolls in terms of quality and cost to cater to this segment of the market in India and overseas market. The Company will also be in a position to meet the major requirement of forged rolls requirement to its Group Companies, especially Tata Steel and CORUS.

Pig Iron Operations

The pig iron segment witnessed volatility in the beginning of the financial year 2009 with prices of pig iron continuously moving North. The input prices also peaked with imported LAM Coke touching USD 700 levels. Anticipating further upward of prices in the inputs, most of the blast furnace manufacturers resorted to building up inventory of coke and iron ore. However, the global meltdown reversed the business scenario with prices of pig iron crashing significantly. Similarly, the Low Ash Coke prices nose-dived to a significant lower levels to nearly USD 350.

Consequently, a significant quantity of inventory of coke carried at the higher price had to be adjusted to

the replacement cost as at 31.12.2008 absorbing loss on this count. The margins were, therefore, under continuous pressure during the year. The slowdown in the automobile and engineering sectors has resulted in poor off-take of pig iron by the foundry units. As a result, excess inventory had to be carried for considerable period of time putting great pressure on the Company's liquidity. The prices have further become extremely competitive in the eastern region due to the availability of pooled iron in the market, flooded by the integrated steel plants.

With the gradual revival of automobile sector, normalcy in the demand in the market is expected. However, the Company in order to be cost competitive has taken several important measures by optimizing the use of coke and product-mix. The blast furnace operations continue to provide liquid metal for roll making. In course of time the operations will provide liquid metal for manufacture of forging quality ingots. Thus, effecting savings in the cost of raw material to the Company.

Opportunities and Threat

The slowdown has in fact given an opportunity to the Company to undertake various initiatives to cut cost to become cost competitive. The TATA-CORUS combined requirement of rolls is substantial, thus the Company has a good opportunity to cater to their roll requirements and become their preferred supplier. In the cast roll segment, the technical tie-up for upgrading/manufacture of HSS, Semi-HSS and Super Ni-Grain Rolls gives an opportunity to the Company to cater to the high end market both within and outside the country.

The setting up of the integrated facilities for the manufacture of forged rolls and engineering forgings definitely gives the Company an edge over others in India as the Company is expected to be cost competitive as the entire process of manufacturing like, ingots, forgings and induction hardening of forged rolls would take place in its entirety at the Company's plant.

The Steel manufacturers plans for cutting their production is a major challenge for the Company. The slowdown which is likely to continue for few more quarters is also a challenge for the Company to maximize its product-mix and achieve cost saving at all possible areas. On the engineering forgings

TAYO ROLLS

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front competing with the established players in the market and establishing the Company's products is the major challenge for the Company in this year.

The cheaper imports and low-end roll manufacturer continues to be a great challenge for the Company, which has to be countered by creating value to the customers.

Segmentwise/Production Performance

The segment wise performance has been given in the Directors' Report in Page 5 and 6. The segment wise result is given in Page No. 40.

Risks and Concerns

The Company on regular basis reviews its Risk Management Policy and takes proactive steps to safeguard and minimise any adversity related to the Market, Technology, People, Environment/Regulatory, Financial, Information Technology and Opportunity Risks. Wherever necessary, the Company takes adequate insurance coverage of its assets for safeguarding from unforeseen risks.

Internal Control System and Adequacy

The Company has adequate internal control system and well laid-down policies and procedures for all its operations and financial functions. The procedures are aligned to provide assurance for maintaining proper accounting controls, monitoring efficient & proper usage of all its assets and reliability of financial & operational reports. The internal control system is ably supported by the Internal Audit Department which carries out extensive audit of various functions throughout the Company. The Internal Audit Department functions independently and submits its findings to the Managing Director for corrective actions, if any. The Company's Board has an Audit Committee which comprises four members with majority being Independent Directors. The Audit Committee reviews significant findings of the internal audit.

The Audit Committee's review function includes the financial reporting process, the system of internal control, the audit process and the Company's process for monitoring compliances with law and regulations and the Company's code of conduct. The Audit

Committee also reviews with the Statutory Auditors the financial reports and ascertains their observation on issues of concern. The Committee monitors the implementation of internal audit recommendations.

Human Resources Development

Human Resource is valued as one of the most important asset by the Company. The various innovative initiatives taken up by employees and active participation by them in various forums has strengthened the human resource system and established flexibility to keep abreast with the business needs of the Company. The education and training inputs are specifically designed and based on organisational objectives as well as performance needs of the Company. Individual Training needs for skill development are identified and carried out through Competency Assessment Process and Gap Analysis through a well established process which meets the Company's growth plans and requirements of different functions successfully. Employees are encouraged to suggest innovative ideas and suggestions through Thinkers' Pot, HumBhi.Com, INVEST, Quality Circles, Performance Target Teams and other improvement initiatives which promotes team work, empowerment, continuous improvement and innovation in all areas across the Company.

In-house Training modules have been developed on various Quality Systems, TPM, TCoC, Management Development, Safety, Fire-Fighting, etc. which are imparted through in-house faculty comprising of Senior Executives of Company as well as external faculty. Knowledge Portal provides opportunity for sharing of technology and knowledge at all levels and functions across the Company.

Employee Awareness Programmes are conducted every year for employees on an appropriate theme. The theme for 2008-09 was "Lakshya Ki Ore Hamara Kartaviya" which broadly covered the short and long term objectives of the Company.

With the whole-hearted support and co-operation of Tayo Workers Union, cordial and harmonious industrial relations was maintained throughout the year.

The work-force of the Company as on 31.03.2009 stands at 671.

Financial Performance with respect to Operational Performance

Revenue : The total revenue (gross) was Rs.189crores against Rs.247 crores in the previous year, there was a decline of about 23%. The revenue from roll segment (gross) was Rs.128 crores as compared to Rs.173 crores in the previous year. The revenue from pig iron segment was Rs.54 crores as compared to Rs.66 crores in the previous year.

The profit after tax was Rs. 6.35 crores in the previous year against a net loss of Rs. 16.74 crores in the *current year*.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes *and other incidental factors*.

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO)/
CHIEF FINANCIAL OFFICER (CFO)**

The Board of Directors,
TAYO ROLLS LIMITED,
Jamshedpur.

We, P.C.Srivastava, Managing Director and P.Hariharan, Chief Financial Officer of TAYO ROLLS LIMITED, both certify to the Board that we have reviewed the Financial Statement and the Cash Flow Statement of the Company for the year ended 31st March, 2009.

To the best of our knowledge, we certify that :

1. The statements do not contain materially untrue and misleading statements; that the statements present a true and fair view of the Company's affairs; that they are made in accordance with the accounting standards and applicable laws and regulations.
2. There are no fraudulent or illegal transactions.
3. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining internal controls which are monitored by the Company's internal audit team and have evaluated based on feedbacks received from the internal audit team, the effectiveness of the internal controls and have reported to the Auditors and Audit Committee, the deficiencies, if any, in the internal controls.
4. We have indicated to the Auditors and Audit Committee significant changes in the internal controls; accounting policies. There are no instances of fraud, of which we are aware during the period.

May 6, 2009

P. C. Srivastava
Managing Director

P. Hariharan
Chief Financial Officer

Certificate on Corporate Governance

TO THE MEMBERS OF TAYO ROLLS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Tayo Rolls Limited, for the year ended as on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. *The Audit committee meeting held on July 17th, 2008 did not consist of minimum of two independent directors, as required under Clause 49 of the Listing Agreement with the Stock Exchanges.*
4. In our opinion and to the best of our information and according to the explanation given to us, we certify that subject to our observations stated in paragraph 3 above the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.
5. 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

Jamshedpur
May 6, 2009

Saira Nainar
Partner
Membership No.: 40081

Auditors' Report

To The Members of Tayo Rolls Limited

1. We have audited the attached balance sheet of **Tayo Rolls Limited** as at 31st March, 2009, the profit and loss Account for the year ended on that date and the cash flow statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit.
 - (iv) in our opinion, the balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (b) in the case of the profit and loss account, of the loss for the year ended on that date;
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order, to the extent applicable.
4. Further to our comment in the annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) the balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
5. On the basis of written representation received from the directors as on 31st March, 2009 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants

Saira Nainar
Partner

Membership No.: 40081

Jamshedpur
May 6th, 2009

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

- (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) As explained to us, some of the fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) In respect of its inventories:
- (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - (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 are reasonably 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 inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly paragraphs 4(iii)(b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly paragraphs 4(iii)(f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to in Section 301 that need to be entered into the register maintained under the said section have been so entered.
 - (b) In our opinion, having regard to the explanation that some of the items purchased are of special nature and suitable alternate sources do not exist for obtaining comparable quotations, the transactions exceeding the value of Rs. five lakhs in respect of any party during the year have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956. Accordingly clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(ix) In respect of statutory dues:

- (a) According to the information and explanations given to us, the Company has been generally regular in depositing with the appropriate authorities, undisputed statutory dues including provident fund, investor education and protection fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues applicable to it. We are informed that the Company has sought exemption from the provisions of the Employees State Insurance Act, 1948.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty and cess were in arrears as at 31st March, 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, as at 31st March, 2009, details of dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which had not been deposited on account of any dispute are given below:

Nature of dues	Amount (Rs Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	58.75	2005-06	Commissioner Appeals
Sales Tax	1008.82	2001-02 to 2004-05	Jt. Commissioner
Service Tax	11.36	2000-01 to 2004-05	Jt. Commissioner
Customs	1.26	1993-94	Commissioner Dy. Commissioner Appellate Tribunal
	0.44	1993-94	
	2.88	1994-95	
Excise duty	1.48	1997-98	Asst. Commissioner Jt Commissioner
	72.05	2005-06 to 2006-07	
	126.34	2006-07 to 2008-09	Commissioner
	20.50	2003-04 to 2008-09	Commissioner Appeals

(x) The Company does not have accumulated losses as at 31st March, 2009 exceeding fifty percent of its net worth but has incurred cash losses in the financial year covered by our audit. In the immediately preceding financial year the Company has not incurred losses.

- (xi) 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 did not have any outstanding debentures or dues to financial institutions during the year.
- (xii) The Company has not granted any loans and advances during the year on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to information and explanations given to us, the Company has not given any guarantee during the year for loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, *prima facie*, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, funds raised on short term basis have, *prima facie*, not been used during the year for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) We have verified the end use of money raised by the rights issue as disclosed in the Directors' Report.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Deloitte Haskins & Sells.
Chartered Accountants

Saira Nainar
Partner

Jamshedpur
May 06th, 2009

Membership No.: 40081

TAYO ROLLS

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Balance Sheet as at 31st March, 2009

	SCHEDULE	31.03.2009	31.03.2008
		Rupees in lakhs	
SOURCES OF FUNDS			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	A	1,026.13	547.32
b) Reserves & Surplus	B	<u>7,959.98</u>	<u>4,182.15</u>
		8,986.11	<u>4,729.47</u>
2. LOAN FUNDS			
a) Secured Loans	C	8,571.39	2,025.16
b) Unsecured Loans	D	<u>84.02</u>	<u>1,583.60</u>
		8,655.41	<u>3,608.76</u>
3. DEFERRED TAX LIABILITY (NET)		-	<u>191.11</u>
TOTAL FUNDS EMPLOYED		<u>17,641.52</u>	<u>8,529.34</u>
APPLICATION OF FUNDS			
4. FIXED ASSETS			
a) Gross Block	E	10,986.20	10,246.77
b) Less: Depreciation		<u>7,883.43</u>	<u>7,597.70</u>
c) Net Block		<u>3,102.77</u>	<u>2,649.07</u>
d) Capital work in progress		<u>11,089.41</u>	<u>2,830.71</u>
		14,192.18	<u>5,479.78</u>
5. INVESTMENTS	F	416.26	32.14
6. CURRENT ASSETS, LOANS AND ADVANCES			
a) Inventories	G	4,773.25	4,805.86
b) Sundry Debtors	H	2,823.23	3,571.40
c) Cash and Bank Balances	I	291.68	592.50
d) Loans and Advances	J	<u>1,039.04</u>	<u>671.12</u>
		8,927.20	<u>9,640.88</u>
7. LESS: CURRENT LIABILITIES AND PROVISIONS			
a) Current Liabilities	K	4,447.40	5,464.31
b) Provisions	L	<u>1,559.29</u>	<u>1,446.25</u>
		6,006.69	<u>6,910.56</u>
8. NET CURRENT ASSETS		2,920.51	<u>2,730.32</u>
9. Miscellaneous expenditure (to the extent not written off or adjusted)	M	<u>112.57</u>	<u>287.10</u>
TOTAL ASSETS		<u>17,641.52</u>	<u>8,529.34</u>

ACCOUNTING POLICIES AND NOTES

Pages 32 to 42

As per our report of even date attached

For and on behalf of the Board

For DELOITTE HASKINS & SELLS
Chartered Accountants

Saira Nainar
Partner
Jamshedpur, 6th May, 2009

G. Vaidyanathan
Secretary
Jamshedpur, 6th May, 2009

Anand Sen
P. C. Srivastava
Chairman
Managing Director

Profit and Loss Account for the year ended 31st March, 2009

INCOME	SCHEDULE	2008-2009	2007-2008
		Rupees in lakhs	
1. Sale of Products		18,370.82	24,083.44
Less: Excise Duty		<u>1,885.52</u>	<u>3,030.01</u>
Net Sales		16,485.30	21,053.43
2. Export Benefits (DEPB Licenses)		131.24	108.69
3. Other Income	1	<u>427.66</u>	<u>486.64</u>
Total Income		<u>17,044.20</u>	<u>21,648.76</u>
EXPENDITURE			
4. Manufacturing and other expenses	2	17,852.11	19,682.55
5. Interest (Net)	3	538.28	408.27
6. Depreciation		<u>354.13</u>	<u>421.56</u>
Total Expenditure		<u>18,744.52</u>	<u>20,512.38</u>
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEMS		(1,700.32)	1,136.38
7. Add/(Less) Exceptional items(net)	4	<u>(139.20)</u>	<u>(152.94)</u>
PROFIT BEFORE TAXES		(1,839.52)	983.44
8. Provision for Taxation			
a) Current Income Tax		-	367.76
Less: Reversal of provision of previous year		-	(97.82)
b) Deferred Income Tax		(191.11)	52.22
c) Fringe Benefit Tax		<u>25.21</u>	<u>26.21</u>
		(165.90)	<u>348.37</u>
PROFIT AFTER TAXES		(1,673.62)	635.07
9. Balance brought forward from last year		<u>544.11</u>	<u>615.16</u>
AMOUNT AVAILABLE FOR APPROPRIATION		(1,129.51)	<u>1,250.23</u>
10. Appropriations:			
a) Proposed dividend		-	218.91
b) Tax on dividend		-	<u>37.21</u>
		-	256.12
c) Transfer to general reserve		-	<u>450.00</u>
		-	<u>706.12</u>
BALANCE CARRIED TO BALANCE SHEET		(1,129.51)	<u>544.11</u>
Basic and Diluted Earning Per Share		Rs. (23.68)	Rs. 11.60
(The nominal value per Equity Share is Rs. 10/-)			

ACCOUNTING POLICIES AND NOTES

Pages 32 to 42

As per our report of even date attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board

Saira Nainar
Partner
Jamshedpur, 6th May, 2009

G. Vaidyanathan
Secretary
Jamshedpur, 6th May, 2009

Anand Sen
P. C. Srivastava
Chairman
Managing Director

TAYO ROLLS

Forty-First annual report 2008-09

Cash Flow Statement for the year ended 31st March, 2009

	Year Ended 31.03.2009	Year Ended 31.03.2008
	Rupees in lakhs	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(1,839.52)	983.44
Adjustment for		
i) Depreciation	354.13	421.56
ii) Loss on Obsolescence of assets	4.09	2.13
iii) (Profit)/Loss on Exchange Fluctuation	10.64	(0.32)
iv) Write Back of Liabilities	(153.30)	(83.85)
iv) Amortisation of Employee Seperation Compensation	184.71	152.94
vi) Income from forward cover contracts	(45.51)	-
vii) Provision for warranty	196.45	198.47
viii) Dividend Income	(72.04)	(39.74)
ix) Inventory written off	573.17	-
x) Provision relating to Employee Benefits	545.15	314.22
xi) Interest Expense	538.28	408.27
	<u>2,135.77</u>	<u>1,373.68</u>
Operating Profit before Working Capital changes	296.25	2,357.12
Adjustments for		
i) Trade and Other receivables	444.81	822.94
ii) Inventories	(540.57)	(968.45)
iii) Trade payable and other liabilities	(1,288.29)	(368.88)
	<u>(1,384.05)</u>	<u>(514.39)</u>
Cash Generated from Operation	(1,087.80)	1,842.73
Direct taxes paid (net of refund and includes tax paid on dividend declared)	(134.12)	(355.93)
Cash Flow before Exceptional Items	(1,221.92)	1,486.80
Payment under Employee Seperation Scheme	(114.79)	(148.52)
Net cash from Operating Activities	(1,336.71)	1,338.28
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Purchase of Fixed Assets including CWIP	(8,956.77)	(2,098.18)
ii) Sale of fixed assets	1.04	-
iii) Purchase of Investments	(8,837.70)	-
iv) Sale of Investments	8,453.58	634.85
v) Dividend received	72.04	39.74
vi) Interest received	9.75	25.53
Net Cash from Investing Activities	(9,258.06)	(1,398.06)
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Right Issue	5,971.50	(41.24)
ii) Proceeds from Borrowings (Short Term) Net	1,166.86	(4.79)
iii) Proceeds from Borrowing (Long Term)	4,059.99	1,150.00
iv) Repayment of Borrowing (Long Term)	(180.19)	(375.00)
v) Interest Paid	(550.86)	(446.05)
vi) Dividend paid	(218.86)	(229.66)
vii) Income from forward cover	45.51	-
Net Cash used in Financing Activities	10,293.95	53.26
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(300.82)	(6.52)
CASH AND CASH EQUIVALENTS AS AT OPENING	592.50	599.02
CASH AND CASH EQUIVALENTS AS AT CLOSING	291.68	592.50

Note: 1. Figures in brackets represent outflows.
2. Previous year figures have been regrouped, where necessary.

As per our report of even date attached

For and on behalf of the Board

For DELOITTE HASKINS & SELLS
Chartered Accountants

Saira Nainar
Partner
Jamshedpur, 6th May, 2009

G. Vaidyanathan
Secretary
Jamshedpur, 6th May, 2009

Anand Sen
P. C. Srivastava

Chairman
Managing Director

**Schedules forming part of the Profit and Loss Account
for the year ended 31st March, 2009**

SCHEDULE 1 :

Rupess in Lakhs

	2008-2009	2007-2008
OTHER INCOME		
1. Dividend Income		
a) Long term investments	15.04	17.03
b) Current investments	57.00	22.71
	72.04	39.74
2. Other Income		
a) Sale of miscellaneous goods	146.70	291.87
b) Sundry income	55.62	71.18
c) Write back of liabilities no longer required	153.30	83.85
	355.62	446.90
	427.66	486.64

SCHEDULE 2 :

Rupess in lakhs

	2008-2009	2007-2008
MANUFACTURING AND OTHER EXPENSES		
1. Raw materials consumed	9,853.06	10,410.07
2. Purchases of semi-finished products	1,191.68	2,580.76
3. Payment to and provisions for employees'		
a) Wages, Salaries and Bonus	1,737.46	1,607.12
b) Company's contribution to Provident Fund, Super Annuation Fund and Pension Fund	202.28	192.56
c) Company's contribution to Gratuity Fund	279.36	209.68
d) Staff Welfare expenses	500.35	398.26
	2,719.45	2,407.62
4. Operation and other expenses		
a) Consumption of stores and spares	1,029.46	1,196.13
b) Power and Fuel	1,959.89	2,064.48
c) Repairs to Machinery	87.30	97.43
d) Repairs to Building	28.74	10.32
e) Rent	22.27	14.62
f) Rates and Taxes	17.53	16.82
g) Insurance charges	5.43	9.92
h) Freight and Handling Charges	157.21	173.34
i) Roll machining charges	14.69	9.82
j) Product warranty charges	196.45	198.47
k) Other Expenses	731.77	792.72
	4,250.74	4,584.07
5. Excise duty	(8.14)	81.73
6. Expenditure transferred to capital and other accounts	(368.98)	(122.24)
7. (Accretion to)/Depletion of Finished and semi-finished goods	214.30	(259.46)
	17,852.11	19,682.55

TAYO ROLLS

Forty-First annual report 2008-09

Schedules forming part of the Profit and Loss Account for the year ended 31st March, 2009

SCHEDULE 3 :

Rupess in lakhs

	2008-2009	2007-2008
INTEREST		
Interest expense		
a) On fixed loans	496.59	44.90
b) On other account	514.56	396.20
	1,011.15	441.10
Less:		
i) Interest received on bank deposits and other account (TDS for the year Rs. 0.05 lakhs, Previous year Rs. 0.03 lakhs)	(9.75)	(25.53)
ii) Interest capitalized during the year	(463.12)	(7.30)
	(472.87)	(32.83)
Net interest expense	538.28	408.27

SCHEDULE 4 :

Rupess in lakhs

	2008-2009	2007-2008
EXCEPTIONAL ITEMS		
a) Income from forward cover contracts	45.51	-
b) Amortization of employee separation compensation	(184.71)	(152.94)
Net Income/(Expenditure)	(139.20)	(152.94)

SCHEDULE 5 :

1. LICENSED AND INSTALLED CAPACITY AND PRODUCTION			
Class of Products	Licensed capacity Tonnes	Installed capacity Tonnes (Annual)	Production Tonnes
a) Rolls			
(i) Steel, Steel Base and Cast Iron Rolls	N.A.		7,879 (9,379)
(ii) Forged Rolls (Note II)	N.A.		454 (1,222)
		13,500 (13,500)	8,333 (10,601)
(iii) Rolls Castings for sale (Note III)			258 (189)
b) Pig Iron			
(i) Pig Iron (Note IV below)	N.A.	40,000 (40,000)	20,030 (30,736)
c) Special Castings	N.A.		128 (163)
Notes:			
I) Installed capacity is as certified by the Vice President (Operations) and accepted by the Auditors.			
II) Within the installed capacity of 13,500 Tonnes of finished rolls, the Company produces Forged Rolls which is machined from Forged Hardened Rough Turned Rolls.			
III) Within the available foundry capacity, the Company also produces Rolls in 'as Cast' heat-treated condition for sale.			
IV) Production includes Pig Iron for internal consumption.			
V) N.A. : Not Applicable in terms of Government of India's Notification No. S.O. 477(E) dt 25th July, 1991.			

**Schedule forming part of the Profit and Loss Account
for the year ended 31st March, 2009**

SCHEDULE 5 (Condt.) :

2. TURNOVER, CLOSING AND OPENING STOCKS OF GOODS PRODUCED

Class of Products	Turnover @		Closing Stocks		Opening Stocks	
	Tonnes	Rupees	Tonnes	Rupees	Tonnes	Rupees
a) Rolls						
(i) Steel, Steel Base and Cast Iron Rolls	7,367 (9,719)	10,884.69 (13,056.93)	675** (173)	781.12** (191.96)	173 (543)	191.96 (525.67)
(ii) Forged Rolls	483 (1,169)	1,696.65 (4,086.99)	41 (70)	135.46 (171.48)	70 (17)	171.48 (38.32)
(iii) Roll Castings (for sale) (Note III , item 1 above)	258 (189)	187.48 (143.21)	- (-)	- (-)	- (-)	- (-)
b) Pig Iron						
(i) Pig Iron	17,761 (28,600)	4,956.99 (6,132.51)	600 (901)	109.24 (167.10)	(901) (436)	167.10 (42.62)
(ii) Others - Pig Iron Skull etc.		468.58 (433.06)		174.45 (235.16)		235.16 (242.65)
c) Special Castings	128 (163)	176.43 (230.74)	- (-)	- (-)		- (-)
TOTAL		18,370.82 (24,083.44)		1,200.27 *** (765.70)		765.70 (849.26)

Notes:

- (i) @ includes excise duty recovered from customers
(ii) ** after adjustment for stocks written off and transfer to Semi-finished Stock
(iii) *** Excludes closing stock of Ingots for which the commercial production has not yet started Rs. 28.05 lakhs (as at 31.03.2008: Rs. Nil)
(iv) Figures in brackets are in respect of the previous year.

3. CONSUMPTION OF RAW MATERIALS

	2008-09		2007-08	
	Quantity Tonnes	Rs lakhs	Quantity Tonnes	Rs lakhs
a) Scrap (net of own generated scrap)	5,075	1,279.47	7,067	1,196.68
b) Ferro Moly	43	801.38	49	869.82
c) Other Ferro Alloys	592	888.19	784	871.29
d) Nickel	94	1,023.77	107	1,979.84
e) Fluxes	379	86.85	520	94.61
f) Coke*	19,292	4,616.58	28,025	3,907.71
g) Others		1,156.82		1,490.12
		9,853.06		10,410.07

- (i) The consumption figures shown above are after adjusting excess and shortage ascertained on physical count.
(ii) *Includes write down of Rs. 573.17 lakhs (2007-08: Rs. Nil) on account of its valuation at replacement cost.

**Schedule forming part of the Profit and Loss Account
for the year ended 31st March, 2009**

SCHEDULE 5 (Condt.):

3. CONSUMPTION OF IMPORTED AND INDIGENOUS MATERIALS

Value of consumption of imported and indigenously obtained raw materials, components, stores and spare parts and the percentage of each to the total consumption:

a) Raw Materials:

Imported

0.02 1.61

2.20 228.94

Indigenous

99.98 9,851.45

97.80 10,181.13

9,853.06

10,410.07

b) Components, stores and spare parts:

Imported

6.77 69.74

8.16 97.64

Indigenous

93.23 959.72

91.84 1,098.49

1,029.46

1,196.13

Note: Stores and spare parts consumption includes amortization of moulds Rs 49.23 lakhs (2007-08 : Rs 42.96 lakhs)

2008-09		2007-08	
%	Rs lakhs	%	Rs lakhs
0.02	1.61	2.20	228.94
99.98	9,851.45	97.80	10,181.13
	<u>9,853.06</u>		<u>10,410.07</u>
6.77	69.74	8.16	97.64
93.23	959.72	91.84	1,098.49
	<u>1,029.46</u>		<u>1,196.13</u>
Quantity Tonnes	Rs lakhs	Quantity Tonnes	Rs lakhs
308	985.31	1,259	2,580.76
228	178.72	-	-
35	27.65	-	-
	<u>1,191.68</u>		<u>2,580.76</u>

5. PURCHASES OF SEMI-FINISHED PRODUCTS

Forged Hardened Rough Turned Rolls

308 985.31

1,259 2,580.76

Semi finished Cast Rolls

228 178.72

- -

Purchase of ring balls

35 27.65

- -

1,191.68

2,580.76

6. C.I.F. VALUE OF IMPORTS:

a) Raw materials

- 227.17

b) Components, stores & spare parts

423.82 121.81

c) Semi-finished products

900.98 2,330.87

d) Capital goods

2,478.58 -

7. EXPENDITURE IN FOREIGN CURRENCY:

a) Technical Know How Fees

664.42 -

b) Foreign Travel

8.68 22.87

c) Interest

- 2.75

d) Others

11.96 28.48

8. EARNINGS IN FOREIGN EXCHANGE:

FOB value of Exports

(including value of exports through export house/agents)

2,419.99

2,836.85

9. REMITTANCE IN FOREIGN CURRENCIES FOR DIVIDENDS:

a) Number of non-resident shareholders

2 2

b) Number of shares held by non-resident shareholders

660,000 660,000

c) Amount of dividend remitted and year to which it relates:

For 2007-08

26.40 -

For 2006-07

- 26.40

2008-09	2007-08
Rs. Lakhs	Rs. Lakhs
-	227.17
423.82	121.81
900.98	2,330.87
2,478.58	-
664.42	-
8.68	22.87
-	2.75
11.96	28.48
<u>2,419.99</u>	<u>2,836.85</u>
2	2
660,000	660,000
26.40	-
-	26.40

Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE A :

Rupees in lakhs

	31.03.2009	31.03.2008
SHARE CAPITAL		
1. Authorized :		
15,000,000 Equity Shares of Rs. 10 each	<u>1,500.00</u>	<u>1,500.00</u>
2. Issued, subscribed and paid up :		
a) *10,260,935 Equity Shares of Rs.10 each fully paid up (As at 31.03.2008: 5,472,800 Shares) *Includes allotment on 1st December, 2008 on Rights Issue of 4,788,135 Shares at a premium of Rs 116 per share. (Note 8 of Page 34)	<u>1,026.09</u>	547.28
b) Forfeited Shares-amount originally paid up	<u>0.04</u>	<u>0.04</u>
	<u>1,026.13</u>	<u>547.32</u>
	<u>1,026.13</u>	<u>547.32</u>

SCHEDULE B :

Rupees in lakhs

	31.03.2009	31.03.2008
RESERVES AND SURPLUS		
1. Securities Premium Account:		
Balance as per last account	<u>88.60</u>	88.60
Add: On allotment of 4,788,135 Shares on 1st December, 2008	<u>5,554.24</u>	-
	<u>5,642.84</u>	88.60
Less: Expenses on Rights Issue of Shares	<u>102.79</u>	-
	5,540.05	88.60
2. General Reserve		
Balance as per the last account	<u>3,549.44</u>	2,913.92
Add: Adjustments relating to opening liability in respect of Employee Benefit in accordance with the transitional provision of Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India. Net off deferred tax Rs. Nil (as at 31.03.2008-Rs 116.28 lakhs)	-	225.83
Less: Adjustments relating to opening liability in respect of Employee Benefit in accordance with the transitional provision of Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India.	-	(40.31)
Add: Transfer from Profit and Loss Account	-	450.00
	<u>3,549.44</u>	<u>3,549.44</u>
Less: Set-off of debit balance in Profit & Loss Account carried forward	<u>(1,129.51)</u>	-
	2,419.93	3,549.44
3. Profit and Loss Account		
Balance carried forward	-	544.11
	<u>7,959.98</u>	<u>4,182.15</u>

TAYO ROLLS

Forty-First annual report 2008-09

Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE C :

Rupees in lakhs

	31.03.2009	31.03.2008
SECURED LOANS		
1. Term Loans		
a) IDBI Bank Ltd.-Loan sanctioned in 2004-2005	87.50	262.50
b) IDBI Bank Ltd.-Loan sanctioned in 2007-2008 for Forged Roll project. (Refer notes 1 & 3)	<u>5,209.99</u>	<u>1,150.00</u>
	<u>5,297.49</u>	<u>1,412.50</u>
2. Cash Credit Account		
a) Bank of India	2,282.87	112.66
b) IDBI Bank Ltd. (Refer note 2)	<u>491.03</u>	<u>-</u>
	<u>2,773.90</u>	<u>112.66</u>
3. Short Term Loan		
a) Bank of India	-	500.00
b) IDBI Bank Ltd (Refer note 2)	<u>500.00</u>	<u>-</u>
	<u>500.00</u>	<u>500.00</u>
	<u>8,571.39</u>	<u>2,025.16</u>
Notes:		
1. Term loans from IDBI Bank Ltd. are secured by first charge on the fixed assets of the Company.		
2. Cash credit account and Short term loan with Bank of India and IDBI Bank Ltd. are secured by hypothecation of all tangible movable assets of the Company including finished and semi-finished stocks, raw materials, stores and book debts ranking paripassu. In addition they are secured by way of second charge on the immovable properties of the Company ranking paripassu.		
3. Installment of term loan due for repayment within the next year Rs. 87.50 lakhs (as at 31.03.2008 - Rs. 175 lakhs)		

SCHEDULE D :

Rupees in lakhs

	31.03.2009	31.03.2008
UNSECURED LOANS		
1. Short Term loan		
a) IDBI Bank Ltd.	-	1,500.00
2. Fixed Deposits	78.41	83.60
3. Over drawn Bank Balances per books	<u>5.61</u>	<u>-</u>
	<u>84.02</u>	<u>1,583.60</u>
Amounts repayable within the next one year Rs. 29.83 lakhs (31.03.2008 Rs. 1,517.49 lakhs)		

Schedule forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE E :

Rupees in lakhs

1	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK
	As at 31.03.2008	Additions	Deductions	As at 31.03.2009	Deductions	For the year	Total upto 31.03.2009	As at 31.03.2009
	2	3	4	5	6	7	8	9
FIXED ASSETS								
1. Leasehold Land (Note 4 of Page 33)	5.25 (5.25)	— —	— —	5.25 (5.25)	— —	0.02 —	0.02 —	5.23 (5.25)
2. Buildings	465.11 (465.11)	— —	0.24 —	464.87 (465.11)	0.17 —	7.40 (7.47)	142.75 (135.42)	322.12 (329.69)
3. Plant & Machinery	9,099.14 (9,048.37)	770.28 (111.45)	64.28 (60.68)	9,805.14 (9,099.14)	2.77 (0.56)	335.10 (405.09)	7,121.16 (6,847.57)	2,683.98 (2,251.57)
4. Technical Know-How Fee	518.29 (518.29)	— —	— —	518.29 (518.29)	— —	— —	518.29 (518.29)	— —
5. Furnitures, Fixtures & Office Equipments	89.74 (92.97)	35.76 (2.52)	1.09 (5.75)	124.41 (89.74)	0.31 (1.57)	4.73 (3.50)	68.39 (64.44)	56.02 (25.30)
6. Vehicles	63.90 (62.01)	6.95 (7.55)	7.95 (5.66)	62.90 (63.90)	1.91 —	5.81 (5.49)	31.74 (31.97)	31.16 (31.93)
7. Intangible Assets	5.34 —	— (5.34)	— —	5.34 (5.34)	— —	1.07 (0.01)	1.08 (0.01)	4.26 (5.33)
Total	10,246.77 (10,192.00)	812.99 (126.86)	73.56 (72.09)	10,986.20 (10,246.77)	5.16 (2.13)	354.13 (421.56)	7,883.43 (7,597.70)	3,102.77 (2,649.07)
8. Capital Work in Progress (Buildings, Plant & Machinery etc under erection)								11,089.41
(Including advances for capital expenditure Rs. 83.81 lakhs: As at 31.03.2008 Rs. 955.34 lakhs)								(2,830.71)
								14,192.18 (5,479.78)

Note : Figures in the brackets are in respect of the previous year.

Schedule forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE F :

Rupees in lakhs

INVESTMENTS	No. of shares/ units fully paid up	31.03.2009	31.03.2008
1. LONG TERM INVESTMENTS			
At Cost less provision for diminution in value			
a) Trade Investments : Quoted			
i) Tata Construction & Projects Ltd. (Equity Shares of Rs. 10 each) (net of provision Rs. 3.88 lakhs)	32,326	—	—
ii) The Indian Steel Rolling Mills Ltd. (Equity Shares of Rs. 10 each) (net of provision Rs. 6.64 lakhs)	88,065	—	—
iii) HDFC Bank Ltd.(Equity Shares of Rs. 10 each)	500	0.05	0.05
iv) Tata Construction & Projects Ltd. (10% Secured Non-Convertible Debentures of Rs. 100 each) - (net of provision Rs. 3.00 lakhs)	3,000	—	—
		<u>0.05</u>	<u>0.05</u>
b) Trade Investments : Unquoted			
i) Tata International Ltd. (Equity Shares of Rs. 1000 each)	2,000	12.00	12.00
ii) Jamipol Ltd. (Equity Shares of Rs. 10 each)	200,000	20.00	20.00
iii) Adityapur Toll Bridge Co. Ltd. (Equity Shares of Rs. 10 each) (net of provision Rs. 0.50 lakhs)	5,000	—	—
iv) Nicco Jubilee Park Limited (Equity shares of Rs. 10 each) (net of provision Rs. 3.00 lakhs)	30,000	—	—
		<u>32.00</u>	<u>32.00</u>
c) Other Investments—Unquoted			
Government Securities-Lodged as security deposit with parties		0.09	0.09
		<u>0.09</u>	<u>0.09</u>
Total Long Term Investments		<u>32.14</u>	<u>32.14</u>
2. CURRENT INVESTMENTS (at lower of cost and fair value)			
Investments in Mutual Funds: Unquoted			
Reliance Medium Term Fund-Daily Dividend Plan	2,246,908.27	384.12	—
*Total Current Investments		<u>384.12</u>	—
* Includes unutilized proceeds from Right Issue Rs. 350 lakhs			
TOTAL INVESTMENTS		<u>416.26</u>	<u>32.14</u>
Note:			
Aggregate amount of Quoted Investments		0.05	0.05
Aggregate amount of unquoted Investments		<u>416.21</u>	<u>32.09</u>
		<u>416.26</u>	<u>32.14</u>
Market Value of Quoted Investments Rs. 4.84 lakhs (31.03.2008 - Rs. 7.04 lakhs)			

Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE F :

Rupees in lakhs

INVESTMENTS (Contd..)	No. of units fully paid up	31.03.2009 Cost
3. Investments purchased and sold during the period		
Tata Liquid Super High Investment Fund-Daily Dividend	27,053.231	301.51
Reliance liquid fund-Treasury plan-Institutional Option-Daily Dividend Option	1,962,836.227	300.06
Reliance Medium Term Fund-Daily Dividend	1,763,467.223	301.47
Tata Liquid Super High Investment Fund-Daily Dividend	97,301.755	1,084.45
Birla Sun Life Cash Plus Instl-Prem-Daily Dividend-Reinvestment	14,973,512.862	1,500.27
Birla Sun Life Short Term Fund-Institutional Daily Dividend	15,146,072.799	1,515.44
Reliance Liquidity Fund-Daily Dividend Reinvestment Option	18,997,811.073	1,900.37
Reliance medium Term Fund-Daily Dividend plan	9,066,713.462	1,550.01
	<u>62,034,768.632</u>	<u>8,453.58</u>

SCHEDULE G :

Rupees in lakhs

INVENTORIES	31.03.2009	31.03.2008
a) Finished Goods (at lower of cost and realizable value)	1,228.32	765.70
b) Semi-finished Goods (at lower of cost and realizable value)	1,262.01	1,911.30
c) Excise duty on finished goods not assessed to duty	75.08	102.71
d) Raw Materials (at lower of cost and realizable value)	936.59	1,122.14
e) *Stores & Spares (at cost less write off for obsolescence)	1,271.25	904.01
	<u>4,773.25</u>	<u>4,805.86</u>
*Stores and spare parts includes the unamortized value of purchased moulds issued to production, Rs. 816.09 lakhs (as at 31.03.2008: Rs. 460.70 lakhs)		

SCHEDULE H :

Rupees in lakhs

SUNDRY DEBTORS	31.03.2009	31.03.2008
a) Over six months old	436.65	429.46
b) Others	2,386.58	3,141.94
	<u>2,823.23</u>	<u>3,571.40</u>
Sundry debts, unsecured and considered good	2,823.23	3,571.40
Sundry debts, considered doubtful	-	-
	<u>2,823.23</u>	<u>3,571.40</u>

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Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE I :

Rupees in lakhs

CASH AND BANK BALANCES	31.03.2009	31.03.2008
a) Cash on hand includes Cheques on hand of Rs. 117.20 (31.03.2008 Rs. 176.05 lakhs)	117.79	176.74
b) Balance with scheduled banks		
i) On Current Account	170.58	413.06
ii) On Deposit Account	3.31	2.70
	173.89	415.76
	291.68	592.50

SCHEDULE J :

Rupees in lakhs

LOANS AND ADVANCES	31.03.2009	31.03.2008
a) Advances recoverable in cash or in kind or for value to be received	516.73	318.82
b) Deposits with public bodies and others	312.52	215.81
c) Advance Payment of taxes including tax deducted at source from income		
i) Income Tax [Net of Provision of Rs. 703.89 lakhs (31.03.2008 : Rs. 704.27 lakhs)]	209.62	136.32
ii) Fringe Benefit Tax [Net of Provision of Rs. 33.15 lakhs (31.03.2008 : Rs. 33.15 lakhs)]	0.17	0.17
	209.79	136.49
	1,039.04	671.12
Loans and Advances, secured and considered good	4.35	4.20
Loans and Advances, unsecured and considered good	1,034.69	666.92
	1,039.04	671.12

SCHEDULE K :

Rupees in lakhs

CURRENT LIABILITIES	31.03.2009	31.03.2008
a) Sundry Creditors :		
i) Due to units registered under MSMED Act, 2006	11.97	1.32
ii) Others [including on capital account Rs. 855.22 lakhs (as at 31.03.2008: Rs. 740.30 lakhs)]	3,374.44	3,967.77
iii) For Accrued Wages & Salaries	548.43	493.53
	3,934.84	4,462.62
b) Advance received from customers	97.12	347.69
c) Employee separation compensation	265.12	328.50
d) Interest accrued but not due on loans	-	2.84
e) Other liabilities	123.94	297.74
f) Liability towards Investor Education and Protection fund under Section 205C of the Companies Act, 1956 not due		
i) Unpaid dividend	0.17	0.17
ii) Unclaimed dividend	21.78	21.73
iii) Unclaimed matured fixed deposits	4.43	3.02
	26.38	24.92
	4,447.40	5,464.31

Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE L :

Rupees in lakhs

PROVISIONS	31.03.2009	31.03.2008
a) Employee benefits		
i) Post retirement medical benefits	327.98	271.82
ii) Long term leave liabilities	428.42	342.51
iii) Pension to retiral directors	164.52	150.19
iv) Post retiral medical benefits to ex-directors	10.07	10.38
v) Retiral gratuity for employees	279.36	94.02
	1,210.35	868.92
b) Warranty	224.94	198.80
c) Provision for taxation:		
i) Income Tax [Net of advance of Rs. 500.38 lakhs (31.03.2008 : Rs. 500.38 lakhs)]	118.53	155.36
ii) Fringe Benefit Tax [Net of advance of Rs. 75.43 lakhs (31.03.2008 : Rs. 51.43 lakhs)]	5.47	4.26
	124.00	159.62
d) Proposed dividend	-	218.91
	1,559.29	1,446.25

SCHEDULE M :

Rupees in lakhs

MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	31.03.2009	31.03.2008
a) Compensation under employees separation schemes	112.57	245.86
b) Expenses on proposed rights issue of shares	-	41.24
	112.57	287.10

Accounting Policies and Notes on the Balance Sheet and Profit & Loss Accounts

A. SIGNIFICANT ACCOUNTING POLICIES

- 1) The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles and the Accounting Standards specified in Section 211 (3C) of the Companies Act, 1956.
- 2) **Sale of Products and Services**
 - i) Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.
 - ii) Export incentive under the Duty Entitlement Pass Book (DEPB) Scheme is recognized at the time of shipment.
- 3) **Warranty for Performance of Rolls**

Estimated liability in respect of Warranty for performance of rolls is provided for based on past experience and historical data.
- 4) **Employees Benefits**
 - a) **Gratuity**

Provision for gratuity liability to employees is made on the basis of actuarial valuation.
 - b) **Leave Salaries**

Provision for Leave Encashment benefits to employees is made on the basis of actuarial valuation.
- 5) **Research and Development**

Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.
- 6) **Fixed Assets**

All fixed assets are stated at cost less depreciation. Pre-operation expenses including trial run expenses (net of revenue) are capitalized. Interest on borrowings and financing costs during the period of construction is added to the cost of fixed assets. In case of Blast Furnace relining and Arc Furnace (bottom) relining the expenditure is capitalized and depreciated over the period to the planned relining date.
- 7) **Depreciation**

Depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 in respect of assets installed after 31.3.1987. In respect of assets installed up to 31.3.1987, depreciation is provided at the rates in force from time to time on straight line method.

Leasehold land is being amortized over the remaining life of the lease.

Computer Software is amortized over a period of 60 months or on the basis of estimated useful life whichever is lower.
- 8) **Foreign Exchange Transactions**
 - i) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.
 - ii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Profit and Loss Account. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss Account over the period of contract.

Prior to 1st April, 2007 Exchange differences (including arising out of forward exchange contracts) in respect of liabilities incurred to acquire fixed assets were adjusted to the carrying amount of such fixed assets.
- 9) **Investment**

Long term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

10) Inventories

Finished and semi-finished products produced by the Company are carried at lower of cost and net realizable value.

Raw materials purchased by the Company are carried at lower of cost and net realizable value. Raw material in transit is carried at cost by the Company.

Stores & Spare Parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

11) Deferred Tax

Deferred Tax is accounted for by computing the tax effect of timing difference which arise during the year and reverse in subsequent periods.

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	As at 31.03.2009	As at 31.03.2008
	Rs. lakhs	
1. Contingent liabilities in respect of -		
a) Income Tax Appeals:		
i) by the Company :	58.75	126.61
ii) by the Department :	188.66	114.74
b) Sales Tax	1,008.82	32.63
c) Other Matters	68.50	66.95
d) Bills discounted with Bankers	132.58	882.92

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 3,629.48 lakhs (as at 31.3.2008: Rs. 6,646.84 lakhs) against which advances paid Rs. 83.81 lakhs (as at 31.3.2008: Rs. 955.34 lakhs).

3. Guarantees given by Bank -

- i) Under Export Promotion Capital Goods Scheme for concessional duty on import of machinery furnished to the Customs authorities - Rs. 177 lakhs (as at 31.3.2008 : Rs. 177 lakhs)
- ii) On other account - Rs. 310.19 lakhs (as at 31.3.2008 : Rs. 268.70 lakhs)

The above guarantees are secured by supplemental deed of hypothecation of the assets stated in Schedule C and also counter guarantees given by the Company.

4. Leasehold land (Item .1 of Schedule E) includes Rs. 175,000 (as at 31.3.2008: Rs. 175,000) for which documents are yet to be executed. The Company has applied to the Bihar Government for exemption of its lands (other than leasehold land referred to hereinbefore for which documents are pending execution) from the Urban Land (Ceiling and Regulation) Act, 1976. The decision of the Government is still awaited.

5. The Wage Agreement between the Company and the Tayo Workers Union expired on 31/12/2006. The Company entered into fresh Agreement on 8/4/09 which is operative for 5 years with effect from 1/1/2007. The liability for the incremental wages and various benefits payable to the employees covered under the said Agreement up to 31st March, 2009 has been provided for in the accounts.

6. Disclosure under AS-29 of ICAI

In accordance with the Accounting Policy and AS-29, provision has been made for estimated warranty liability in respect of rolls sold to customers. Details are as follows :

	2008-09 (Rs. in lakhs)	2007-08 (Rs. in lakhs)
1. Provision as at 1st April, 2008	198.80	196.35
2. Provision made during the year	196.45	198.47
3. Deduct : Claims settled during the year	(170.31)	(196.02)
4. Provision as at 31st March, 2009	224.94	198.80

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

7. Sundry Creditors includes dues in respect of Micro, Small and Medium Enterprises Development Act 2006.

	As at 31.03.2009 (Rs. lakhs)	As at 31.03.2008 (Rs. in lakhs)
a) Principal Amount	11.97	1.32
b) Interest due and Payable *	-	-
c) Interest Accrued and Due	-	-
d) Interest paid under the Act during the year	-	-

* Interest is reckoned as due from the date of receipt by the Company of intimation of registration from the supplier under the Act.

8. Consequent to Rights Issue the Company has become a subsidiary of Tata Steel Ltd. with effect from 1st December, 2008.
9. Consumption of Stores & Spare Parts (Item 4 (a) of Schedule 2) is exclusive of Rs. 175.77 lakhs (2007-08: Rs. 143.27 lakhs) for repairs and maintenance.
10. Revenue expenditure on Research & Development : Rs. 13.46 lakhs (2007-2008: Rs. 12.82 lakhs)
11. Other expenses (Item 4 (j) of Schedule 2) include -

	2008-09 (Rs. lakhs)	2007-08 (Rs. in lakhs)
a) <u>Auditors' Remuneration</u> *		
(i) For Audit Fees	6.84	6.91
(ii) For Tax Audit	1.12	1.12
(iii) For Company Law matters	0.11	0.12
(iv) For other services	0.75	11.94
(v) Travelling and out of pocket expenses	-	0.02
* inclusive of service tax, where applicable		
b) Sitting fees to Directors	3.84	3.40
c) Donations	3.34	0.73
d) Loss on sale / obsolescence of assets	4.39	2.13

12. Deferred Tax :

	31.03.09 (Rs. lakhs)	31.03.08 (Rs. in lakhs)
Deferred Tax Liability (Net) consists of		
a) Book/Tax depreciation difference	(318.35)	(265.96)
b) Provision for LTC & others	(1.16)	4.18
c) Employee Benefits	130.71	94.66
d) Amortization of Deferred Expenditure	(43.32)	(23.99)
e) Carry forward of business loss (restricted to the extent of deferred tax liability)	232.12	-
	-	(191.11)

13. Earnings Per Share (EPS) :

	2008-09 (Rs. lakhs)	2007-08 (Rs. in lakhs)
Profit After Tax	(1,673.63)	635.07
Weighted average number of ordinary shares for Basic/Diluted EPS	7,068,845	5,472,800
Nominal value of Shares	Rs. 10	Rs 10
Basic and diluted EPS	(23.68)	Rs.11.60

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

14. Managerial Remuneration

	2008-09 (Rs. lakhs)	2007-08 (Rs. in lakhs)
(a) Managerial Remuneration for Managing Director,		
(i) Salary(including Company's contribution to Provident Fund and Superannuation Fund),	25.30	22.09
(ii) Perquisites & benefits	3.18	2.14
(iii) Commission	-	18.90
	<u>28.48</u>	<u>43.13</u>
Note:		
1) The above Managerial remuneration is within the approval accorded by the Shareholders at meeting held on 16-07-2007 for payment of Minimum Managerial Remuneration in the event of loss or inadequate profits in any year.		
2) The above figure do not include certain retirement benefits for the Managing Director as separate figures are not available.		
(b) Computation of net profit in accordance with Section 309(5) of the Companies Act, 1956		
Profit before taxes as per Profit & Loss Account	(1,839.52)	983.44
Add/(Deduct):		
a) Managerial Remuneration	28.48	43.13
b) Directors' Sitting Fees	3.84	3.40
c) Commission to Non whole time Directors	-	5.00
d) (Profit)/Loss on sale of investments	-	-
e) Provision for diminution in value of investments	-	-
	<u>(1,807.20)</u>	<u>1,034.97</u>
Commission		
(a) Commission to Managing Director	-	18.90
(b) Commission to non whole time Directors	-	5.00
	<u>-</u>	<u>23.90</u>

15. Disclosure relating to Accounting Standard AS 15 (Revised)

	2008-09 (Rs. lakhs)	2007-08 (Rs. in lakhs)
1. The company has recognized, in the profit and loss account for the current year, the following expenses under the defined contribution plans.		
Benefit (Contribution to)		
Provident Fund	140.07	134.55
Superannuation Fund	45.29	41.44
TAYO employees Pension Scheme	16.92	16.58
Total	<u>202.28</u>	<u>192.57</u>
2. The company operates post retirement defined benefit plans as follows:		
a. Funded		
i) Post Retirement Gratuity		
b. Unfunded:		
i) Post Retirement Medical benefits		
ii) Pensions to Directors		

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B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

15 Disclosure relating to Accounting Standard AS 15 (Revised) (Contd.)

2 (a) (i) Details of the Post Retirement Gratuity plan are as follows:	2008-09 (Rs. Lakhs)	2007-08 (Rs. Lakhs)
Description		
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at 1.04.2008	836.74	830.20
b. Current Service Cost	37.65	30.44
c. Interest Cost	59.70	60.68
d. Obligation of new companies	-	-
e. Actuarial (gain)/loss	201.02	104.74
f. Exchange rate variation	-	-
g. Benefits paid	(180.89)	(189.32)
h. Obligation as at 31.03.2009	954.22	836.74
The defined benefit obligation as at 31.03.2009 is wholly funded by Company		
2. Change in Plan Assets (Reconciliation of opening & closing balances)	2008-09 (Rs Lakhs)	2007-08 (Rs Lakhs)
a. Fair Value of plan assets as at 1.04.2008	742.72	864.44
b. Expected return on plan assets	57.69	64.84
c. Assets of new companies	-	-
d. Actuarial gain/(loss)	(38.68)	(78.65)
e. Contributions	94.02	81.41
f. Benefits paid	(180.89)	(189.32)
g. Fair Value of plan assets as at 31.03.2009	674.86	742.72
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at 31.03.2009	674.86	742.72
b. Present value of obligation as at 31.03.2009	954.22	836.74
c. Amount recognized in the balance sheet	(279.36)	(94.02)
4. Expense recognized in the period		
a. Current service cost	37.65	30.44
b. Interest cost	59.70	60.68
c. Expected return on plan assets	(57.69)	(64.84)
d. Actuarial (gain)/loss	239.70	183.39
e. Exchange rate variation	-	-
f. Expense recognized in the period	279.36	209.67
The expense is disclosed in the line item - Company's contribution to Gratuity Fund		
5. Investment Details	% Invested	% Invested
a. GOI Securities	3.47	13.14
b. Public Sector unit Bonds	38.43	33.71
c. State/Central Government Guaranteed Securities	1.46	2.85
d. Special Deposit Schemes	55.11	49.95
e. Others (including bank balances)	1.53	0.35
	100.00	100.00

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

15 Disclosure relating to Accounting Standard AS 15 (Revised) (Contd.)

6. Assumptions		2008-09	2007-08
a.	Discount rate (per annum)	8.00% p.a.	8.00% p.a.
b.	Estimated rate of return on plan assets (per annum)	8.25% p.a.	8.25% p.a.
c.	Rate of escalation in salary (per annum)	3.60% p.a.	3.00% p.a.

7. Information for current Financial Year and Previous 2 Financial Years		2008-09 (Rs. Lakhs)	2007-08 (Rs. Lakhs)	2006-07 (Rs. Lakhs)
I.	a) Present value of defined benefit obligation	(954.22)	(836.74)	(830.21)
	b) Fair value of Plan Assets	674.86	742.72	864.44
	c) Surplus/(Deficit) in Plan Assets	(279.36)	(94.02)	34.23
II.	a) Experience Adjustment on plan liabilities	(170.66)	(77.03)	(89.09)
	b) Experience Adjustment on plan assets	(38.68)	(78.65)	(14.71)
III.	Expected contribution (best estimate) to funded plans in subsequent fin. Year	279.36	94.02	-

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.

2(b) Details of unfunded post retirement defined benefit obligations are as follows:

Description	2008-09		2007-08	
	(Rs. Lakhs)			
	Post Retirement Medical benefits	Pensions to Directors	Post Retirement Medical benefits	Pensions to Directors
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at 1.4.2008	282.20	150.19	278.55	153.75
b. Current/Employer Service Cost	17.98	-	14.86	-
c. Interest Cost	22.49	11.28	22.97	12.00
d. Obligation of new companies	-	-	-	-
e. Actuarial (gain)/loss	17.60	21.40	(34.01)	1.12
f. Past service cost	-	-	-	-
g. Exchange rate variation	-	-	-	-
h. Benefits paid	(2.22)	(18.35)	(0.17)	(16.68)
i. Obligation as at 31.03.2009	338.05	164.52	282.20	150.19
2. Expense recognized in the period				
a. Current /Employer service cost	17.98	-	14.86	-
b. Interest cost	22.49	11.28	22.97	12.00
c. Past service cost	-	-	-	-
d. Exchange rate variation	-	-	-	-
e. Actuarial (gain)/loss	17.60	21.40	(34.01)	1.12
f. Expense recognized in the period	58.07	32.68	3.82	13.12

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B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

15 Disclosure relating to Accounting Standard AS 15 (Revised) (Contd.)

3. Assumptions	2008-09		2007-08		
	Post Retirement Medical benefits	Pensions to Directors	Post Retirement Medical benefits	Pensions to Directors	
a. Discount rate (per annum) on 01.04.2008	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.	
b. Discount rate (per annum) on 31.03.2009	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.	
c. Medical costs inflation rate	5.00% p.a.		5.00% p.a.		
d. Average medical cost (Rs/person) on 01.04.2008			Rs. 3,165/-		
e. Average medical cost (Rs/person) on 31.03.2009	Rs. 3521/-				
f. Effect of a 1% change in (health care cost)					
Impact on current service and interest cost-Rs in lakhs					
Increase	46.91				
Decrease	33.78				
Impact on Closing balance of obligation-Rs in lakhs					
Increase	53.77				
Decrease	44.08				
4. Information for current Financial Year and Previous 2 Financial Years					
	2008-09		2007-08		2006-07
	Rs in lakhs				
	Post Retirement Medical benefits	Pensions to Directors	Post Retirement Medical benefits	Pensions to Directors	Post Retirement Medical benefits
I. Present value of defined benefit obligation	(338.05)	(164.52)	(282.20)	(150.19)	(268.11)
II. Experience Adjustment on plan liabilities	(17.60)	(21.40)	44.04	142.74	9.91

16 Derivative Instruments

The company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the company's strategy approved by the Board of Directors. The company does not use forward contracts for speculative purposes. The following are the outstanding forward exchange contracts entered into by the company as on 31st March, 2009.

No of Contracts	US Dollar Equivalent	INR
		In lakhs
Amount receivable from HDFC Bank (on Forward Contract)	-	-
	(20.80)	(832.33)

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

16 Derivative Instruments (Contd.)

a)	Company has not entered into derivative contracts other than Forward Contract.
b)	The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:
	Amount in Foreign Currency Amount Euro GBP USD in INR In lakhs
Amount receivable from Export of goods	3.68 0.46 3.15 437.53 (1.33) (4.08) (11.32) (859.22)
Amount payable for import of goods	0.02 - - 1.59 (-) (-) (6.71) (268.37)
<p>Figures in brackets are for the previous year.</p> <p>The above disclosures have been made consequent to the announcement by The Institute of Chartered Accountants of India on 2nd December, 2005, which is applicable to the financial periods ending on or after 31st March, 2006.</p>	

17 Segment Reporting

(a) PRIMARY SEGMENT-BUSINESS	Rupees Lakhs				
	Roll	Pig Iron	Other Operations	Unallo-cable Cost	Total
REVENUE					
External Sales (Net of excise duty)	11,867 (15,472)	5,772 (6,447)	226 (416)		17,865 (22,335)
Inter segment Revenue		(893) (-726)			(893) (-726)
Total Revenue	11,867 (15,472)	4,879 (5,721)	226 (416)		16,972 (21,609)
RESULTS					
Segment result	(515) (1,041)	(660) (374)	(59) (89)		(1,234) (1,504)
Profit from operation	(515) (1,041)	(660) (374)	(59) (89)		(1,234) (1,504)
Income from Investment					72 (40)
Interest Expenses (Net)				(538) (-408)	(538) (-408)
Profit Before Tax & Extra-ordinary/ Exceptional item					(1,700) (1,136)
Amortisation of Employee Separation Compensation				(185) (-153)	(185) (-153)
Income from Forward Cover Contract				45 -	45 -
Profit before Tax				(1,840) (983)	(1,840) (983)
Tax				166 (-348)	166 (-348)
Profit after Tax				(1,674) (635)	(1,674) (635)

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B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

17 Segment Reporting (Contd.)

OTHER INFORMATION

Segment Assets	8,671	1,934	149	12,895	23,649
	(9,040)	(2,120)	(249)	(4,031)	(15,440)
Total Assets	8,671	1,934	149	12,895	23,649
	(9,040)	(2,120)	(249)	(4,031)	(15,440)
Segment Liabilities	1,914	553	28	3,512	6,007
	(4,353)	(1,285)	(23)	(1,250)	(6,911)
Total Liabilities	1,914	553	28	3,512	6,007
	(4,353)	(1,285)	(23)	(1,250)	(6,911)
Capital Expenditure	83	-	-	11,819	11,902
	(183)	(11)	-	(2,765)	(2,959)
Depreciation	188	84	1	81	354
	(315)	(84)	(2)	(21)	(422)

Figures in brackets are for previous year.

(b) SECONDARY SEGMENT-GEOGRAPHY

	Rs. Lakhs	
	2008-09	2007-08
Revenue by Geographical market		
India	14,552	18,772
Outside India	2,420	2,837
	<u>16,972</u>	<u>21,609</u>
Additions to Fixed Assets & Intangible Assets:		
India	11,902	2,959
Outside India	-	-
	<u>11,902</u>	<u>2,959</u>
	As at	As at
	31.03.2009	31.03.2008
Carrying amount of Segment Assets		
		Rs. Lakhs
India	23,649	15,440
Outside India	-	-
	<u>23,649</u>	<u>15,440</u>

Notes:

- (i) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segments, are shown as unallocated cost. Assets and Liabilities that cannot be allocated between segments are shown as unallocated assets and Liabilities respectively.
- (ii) Transaction between segments are primarily for materials which are transferred at market determined price and common costs are apportioned on a reasonable basis.

B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)
18. Related Party Disclosures
(Rs. Lakhs)

Nature of transactions	RELATED PARTY *				Total
	Associate Company	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	
	01.04.2008 to 30.11.2008	01.12.2008 to 31.03.2009		01.04.2008 to 31.03.2009	
Purchase of Goods					
Tata Steel Limited	2,455.41 (2,612.36)	648.76			3,104.17 (2,612.36)
ISWP			19.64		19.64
Tata Refractories Limited	2,455.41 (2,612.36)	648.76	23.45 43.09	-	23.45 3,147.26 (2,612.36)
Sale of Goods					
Tata Steel Limited	2,315.67 (4,133.73)	1,365.28			3,680.95 (4,133.73)
ISWP			100.76		100.76
Tata Steel-Corus	2,315.67 (4,133.73)	1,365.28	195.59 296.35	-	195.59 3,977.30 (4,133.73)
Receiving of Services					
Tata Steel Limited	205.90 (270.43)	90.48			296.38 (270.43)
TMILL			251.04		251.04
TKM			30.50		30.50
JUSCO	205.90 (270.43)	90.48	119.58 401.12	-	119.58 697.50 (270.43)
Purchase of Fixed Assets					
Tata Steel Limited	361.55 (62.57)	288.67			650.22 (62.57)
	361.55 (62.57)	288.67	-	-	650.22 (62.57)
Dividend and Fraction Bonus amount paid to Shareholders					
Tata Steel Limited	79.97 (84.97)				79.97 (84.97)
	79.97 (84.97)	-	-	-	79.97 (84.97)
Interest Expense					
Tata Steel Limited		15.34			15.34
	-	15.34	-	-	15.34
Interest Income					
JUSCO			0.94		0.94
	-	-	0.94	-	0.94
Management Contracts including deputation of employees					
ISWP			10.51		10.51
	-	-	10.51	-	10.51
Finance Provided (including loans and equity contributions in cash or in kind)					
Tata Steel Limited	1,000.00	4,520.91			5,520.91
	1,000.00	4,520.91	-	-	5,520.91
Unsecured Advances/Deposits accepted					
Tata Steel Limited		383.02			383.02
	-	383.02	-	-	383.02

i) Figures in bracket are for the previous year

ii) * Refer to note 8 of page no. 34.

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B. NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

18. Related Party Disclosures

(Rs. Lakhs)

Nature of transactions	Associate Company	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
	01.04.2008	01.12.2008		01.04.2008	
	to	to		to	
	30.11.2008	31.03.2009		31.03.2009	
Outstanding Receivables					
Tata Steel Limited		430.82 (388.30)			430.82 (388.30)
ISWP			1.03		1.03
Tata Steel-Corus			195.59		195.59
Nat Steel			1.37		1.37
TMILL			1.43		1.43
		430.82 (388.30)	199.42	-	630.24 (388.30)
Deposit Given					
JUSCO			70.94		70.94
Outstanding Payables					
Tata Steel Limited		1,698.56 (262.76)			1,698.56 (262.76)
ISWP			0.92		0.92
TKM			22.29		22.29
Tata Refractories Limited			7.12		7.12
Tata Limited,UK			1.59		1.59
JUSCO			41.02		41.02
		- 1,698.56 (262.76)	72.94	-	1,771.50 (262.76)
Mr. P C Srivastava (Managing Director)				28.48 (43.13)	28.48 (43.13)
		-	-	28.48 (43.13)	28.48 (43.13)

Note:

(i) Figure in bracket are for the previous year.

19 Previous year's figures have been regrouped, where necessary.

Signature to Schedules 1 to 5 and A to M,
Accounting Policies and Notes on Pages 32 to 42

For and on behalf of the Board

ANAND SEN
Chairman

G. VAIDYANATHAN
Secretary

P. C. SRIVASTAVA
Managing Director

Jamshedpur
6th May, 2009

**STATEMENT GIVING INFORMATION PURSUANT TO
PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956**

1	Registration No.	L27105JH1968PLC000818	
2	State Code	03	
3	Balance Sheet Date	31.03.2009	
4	Capital raised during the year (Amount in Rs lakhs)	603305	
5	Position of Mobilisation and deployment of Funds (Amount in Rs lakhs)		
	TOTAL LIABILITIES	<u>17,641.52</u>	TOTAL ASSETS
	SOURCES OF FUNDS		<u>17,641.52</u>
	APPLICATION OF FUNDS		
	Paid up Capital	1,026.13	Net Fixed Assets
	Reserve and Surplus	7,959.98	Investments
	Secured Loans	8,571.39	Net Current Assets
	Unsecured Loans	84.02	Miscellaneous Exp. not written off
	Deferred Tax Liability (Net)	-	Accumulated losses
		<u>17,641.52</u>	<u>17,641.52</u>
6	Performance of Company (Amount in Rs lakhs)		
	i) Turnover	17,044.20	
	ii) Total Expenditure	18,744.53	
	iii) Profit before Tax	(1,700.33)	
	iv) Profit after Tax	(1,673.62)	
	v) Earning per Share	(23.88)	
	vi) Dividend Rate	Nil	
7	Generic names of principal Products/Services of Company		
	a) ITC Code	84553000	
	Product Description	Rolls for Rolling Mills	
	b) ITC Code	84742000	
	Product Description	Parts of Crushing or Grinding machines	
	c) ITC Code	72011000	
	Product Description	Pig Iron	

For and on behalf of the Board

ANAND SEN Chairman

G. VAIDYANATHAN
Secretary

P. C. SRIVASTAVA Managing Director

Jamshedpur, 6th May, 2009

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FINANCIAL STATISTICS

Sl. No.	REVENUE ACCOUNTS						Dividend percent	CAPITAL ACCOUNTS					Net worth per share (Rupees)	Earnings per share (PAT)
	Year	Sale of products & Other Income	Depre- ciation	Profit before Tax	Tax	Shares of Rs. 100/-		Share Capital	Res- erves	Borrow- ings	Gross Block	Net Block		
													(Rupees in Lakhs)	(Rupees in Lakhs)
1	1969-70	58.33	16.08	(-14.16	-	-	249.32	-	370.62	647.62	606.50	-	-	
2	1970-71	314.66	47.50	17.71	-	-	249.66	-	413.00	667.74	599.95	99.87	7.08	
3	1971-72	336.55	52.19	39.09	-	6%	249.78	44.70	422.11	681.09	563.34	117.79	15.64	
4	1972-73	330.93	52.40	9.42	-	6%	249.88	39.12	373.12	687.67	516.96	115.60	3.77	
5	1973-74	338.52	53.13	2.83	-	-	249.92	26.95	341.57	700.75	475.83	110.75	1.13	
6	1974-75	502.03	53.53	36.19	-	10%	249.93	38.15	291.15	724.19	448.84	125.23	14.48	
7	1975-76	481.43	55.28	23.61	-	5% tax Free	249.94	49.25	264.41	733.53	403.30	119.68	9.44	
8	1976-77	555.96	54.44	53.04	-	5% tax Free	249.95	89.79	210.66	743.38	358.47	135.90	21.22	
9	1977-78	601.89	54.62	62.99	-	6% tax Free	249.98	137.80	148.51	781.42	311.59	155.15	25.20	
10	1978-79	733.35	57.94	115.61	51.00	12%	249.98	172.41	139.37	786.05	289.39	169.00	25.85	
11	1979-80	830.35	54.40	103.36	63.00	12%	249.98	182.78	116.52	802.81	251.81	173.15	16.15	
12	1980-81	865.36	32.07	97.43	55.00	12%	249.98	195.22	85.05	814.08	231.62	178.13	16.98	
13	1981-82	1117.36	42.07	126.19	28.00	15%	249.98	255.92	89.73	976.28	353.12	202.41	39.29	
14	1982-83	1586.76	47.05	84.52	25.00	15%	249.98	277.95	92.64	1088.45	419.43	211.23	23.82	
15	1983-84	1579.14	68.36	65.69	38.00	10%	249.98	280.65	73.86	1142.24	404.89	212.31	11.09	
16	1984-85	1894.43	60.19	89.40	48.80	15%	249.98	283.76	57.47	1184.04	390.61	213.55	16.25	
17	1985-86	2308.38	41.51	306.25	147.00	20%	249.98	425.02	183.42	1266.03	463.42	270.07	63.72	
18	1986-87	2661.89	48.88	95.57	22.00	20%	249.98	448.61	228.37	1390.37	539.84	279.51	29.44	
19	1987-88	2978.52	64.66	104.28	31.00	15%	249.98	484.40	775.56	1428.89	523.31	293.83	29.32	
20	1988-89	3396.64	83.89	16.60	2.65	15%	249.98	477.54	901.35	1921.42	949.06	291.08	5.58	
21	1989-90	4100.40	106.17	81.66	13.25	18%	249.98	500.97	1003.86	2025.62	947.32	30.05	2.74	
22	1990-91	4351.72	113.65	235.70	36.00	25%	249.98	638.18	968.96	2167.76	994.07	35.54	7.99	
23	1991-92	4891.95	137.93	247.72	106.00	25%	249.98	717.42	2220.74	3339.54	2035.72	38.71	5.67	
24	1992-93	5113.27	231.41	407.93	150.00	25%	547.32	1154.45	2086.59	4429.44	2899.37	31.10	4.71	
25	1993-94	6776.30	370.70	344.55	93.00	25%	547.32	1269.18	2230.08	5040.38	3142.06	33.19	4.59	
26	1994-95	6224.20	423.10	403.28	130.00	25%	547.32	1371.97	2010.63	5256.62	2937.35	35.07	4.99	
27	1995-96	6781.96	428.59	405.51	120.00	27.5%	547.32	1438.40	1970.25	5403.74	2656.00	36.28	5.22	
28	1996-97	7331.59	418.30	537.22	231.00	27.5%	547.32	1579.26	1767.07	5702.49	2543.24	38.86	5.60	
29	1997-98	7350.62	438.06	708.80	280.00	30%	547.32	1827.47	1671.63	6041.52	2525.61	43.39	7.84	
30	1998-99	7603.76	466.81	692.91	158.00	32.5%	547.32	2164.94	2328.91	7801.11	3951.50	49.56	9.77	
31	1999-2000	8907.66	553.28	736.56	269.00	32.5%	547.32	2435.07	1534.30	7724.29	3501.55	54.49	8.54	
32	2000-2001	9433.94	543.51	567.82	205.00	32.5%	547.32	2601.88	1609.33	7740.88	3060.30	57.54	6.63	
33	2001-2002	9577.14	518.26	211.40	78.05	22%	547.32	2185.88	965.58	7855.73	2712.34	49.94	2.44	
34	2002-2003	10010.83	466.60	627.38	220.00	27%	547.32	2426.73	706.58	7994.84	2398.28	54.34	7.45	
35	2003-2004	10430.65	424.14	595.78	173.16	27%	547.32	2682.65	783.45	8062.74	2068.64	59.02	7.72	
36	2004-2005	14045.73	418.73	842.40	233.75	40%	547.32	2832.94	3036.31	10084.14	3768.12	61.76	11.12	
37	2005-2006	18447.56	516.61	756.46	141.90	40%	547.32	3197.88	3267.07	10160.93	3381.99	68.43	11.23	
38	2006-2007	22154.81	492.88	1532.50	469.95	42.5%	547.32	3617.68	2839.85	10362.06	3115.94	76.10	19.41	
39	2007-2008	24678.77	421.56	983.44	348.37	40%	547.32	4182.15	3608.76	13077.48	5479.78	86.43	11.60	
40	2008-2009	18929.72	354.13	(-1839.52	(-165.90	(-)	1026.13	7959.98	8655.41	22075.61	14192.18	87.57	(-23.68	

ANNEXURE TO DIRECTORS' REPORT

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT.

CONSERVATION OF ENERGY

a) Energy conservation measures undertaken :

- i) Since last year 4 nos. of Heat treatment furnaces are Gas fired which helped in overall reduction of energy consumption
- ii) One 40 T. Heat treatment furnace converted from Oil to Gas fired furnace.
- iii) MBF gas ladle preheater is working since two years
- iv) Installation of one medium frequency Induction furnace

b) Additional investments/proposals, if any :

- i) Optimisation of burners of Gas Fired Furnace for efficiency improvement.
- ii) Revamping of Mould drying oven to improve efficiency

(A) Power and Fuel consumption:

1. ELECTRICITY

	Current year 2008-2009	Previous year 2007-2008
a) Purchased		
Total for Electric Arc Furnace: Units (KWH)	55,08,200	89,77,500
Total amount (Rs. Lakhs)	247.86	387.83
Rate per Unit (Rs./KWH)	4.50	4.32

b) Own generation

- i) Through Diesel Generator

Unit (KWH)
Unit per Ltr. of diesel oil-KWH/Ltr.
Cost/Unit

} Not used for Electric Arc Furnace

- ii) Through Steam Turbine/Generator

Units
Unit per Ltr. of Fuel oil/gas Cost/Unit

} There is no steam Turbine /Generator

2. Coal (Specify quality and where used)

Quantity (Tonnes)
Total Cost
Average rate

} Not used

3. Furnace Oil

Quantity (K.Ltrs.)
Total amount
Average rate

} Not used for Electric Arc Furnace

4. Others/Internal generation

LPG Consumption
Quantity
Total Cost
Rate/Unit

} NIL

5. Consumption per unit of production

Products	Standards (if any) (ABP 08-09)	Current year 2008-2009	Previous year 2007-2008
Roll Metal through Electric Arc Furnace Electricity (KWH/T)	750	638.5	862.0

Furnace Oil }
Coal } Not used for Electric Arc
Others } Furnace/ or for
Production of Steel.

TECHNOLOGY ABSORPTION (2008-09)

(A) Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company.

a) Hi-Cr Iron Rolls

- Hi-Cr (Iron) rolls cast as per Yodogawa technology for: JSW HSM-1 & HSM-2 at Tornagallu, Corus Plant, Ijmuiden, CSP mill of Bhushan Steel.
- Ti bearing Hi-Cr Iron & Steel rolls were cast for: JSW and Lloyds

b) Hi-Cr Steel Rolls

Anti fire cracking Hi-Cr Steel rolls were cast and dispatched for:
Tata Steel HSM, DSP mill of Corus, Ijmuiden & Salem Steel.

c) TEK Rolls

Micro-alloyed TEK Rolls were cast for the following customers:
Corus HSM (Llanwern), Eregli & JSW

d) ICDP Rolls

ICDP rolls for CSP mill at Bhushan Steel and Arvedi (Italy) were cast with modified chemistry to improve wear resistance.

e) Others

Ni bearing Adamite rolls for Salem and Maithan Steel Plants were cast to improve wear resistance

f) New Customers

Hi-Cr and ICDP rolls were developed for new customers:
Chung-Hung, Taiwan
JSW HSM2 (New mill),
Shang Shing (Skin Pass mill), Taiwan

g) Process Improvement

- TS rolls for Eregli were cast with extended end plate in absence of suitable chill mould.
- Two RSP Plate Mill Rolls were cast through Centrifugal route resulting in improvement in yield, uniform shell depth and energy consumption.

2. Benefits derived as a result of the above R & D. :

- i) New product developed is expected to provide a competitive edge with respect to performance enhancement and acquisition of new customer for domestic as well as export market.
- ii) Wider network of customers leading to market leadership.
- iii) Improvement in yield and reduction in energy consumption.

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3. Future Plan of action :

- i) Casting of Semi High Speed Steel, HSS & Super Ni-Grain rolls for HSM.
- ii) Casting of Bhilai Plate Mill and JSPL roll through Centrifugal route
- iii) Modification of Heat Treatment of Hi-Cr Iron & Hi-Cr Steel for better hardness and fuel consumption
- iv) Development of Superten rolls (High Alloy AD rolls) of 50-65 Degree Sh C.
- v) Casting of 'Sleeves' for Long Product Mills (New Product)
- vi) Different variant of ICDP rolls to improve performance

4. Expenditure on R & D :

	Current Year 2008-2009 (Rs. Lakhs)	Previous Year 2007-2008 (Rs. Lakhs)
a) Capital	-	-
b) Recurring	13.46	12.82
c) Total	13.46	12.82
d) Total R & D expenditure as a percentage of total turnover	0.08%	0.05%

(B) Technology Absorption, Adaptation and Innovation :

1. Efforts in brief made towards technology absorption, adaptation and innovation. :

- i) Hi-Cr (Iron) rolls casting as per Yodogawa technology to improve performance
- ii) Super Ni-Grain, HSS & semi-HSS rolls casting as per Yodogawa technology
- iii) Casting of RSP plate mill rolls through Centrifugal Casting route
- iv) Developing rolls for CSP mills
- v) Casting of longer rolls with extended end plate

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Benefits derived from above efforts are in the area of product

development, product quality improvement leading to customer satisfaction, acquisition of new customers and cost & energy reduction.

3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished :-

- a) Technology imported :
 - i) Transfer of Technology for upgradation of Hi-Speed Steel Rolls and manufacture of Semi-Hi-Speed Rolls and Super Nickle Grain Rolls from M/s Yodogawa Steel Works Limited, Japan
 - ii) Transfer of Tecnology for the manufacture of Forging Quality Ingots including round ingots, Engineering Forgings and Forged Rolls.
- b) Year of import
 - i) 2008-2009
 - ii) 2007-2008
- c) Has technology been fully absorbed ?
 - i) The transfer of Technology for upgradation of HSS Rolls and Semi-HSS & SNG Rolls is under progress.
 - ii) The transfer of Technology for manufacture of Forging Quality Ingots, Engineering Forgings and Forged Rolls is under progress.
- d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.
 - i) HSS-Rolls have been cast and heat treatment of the same is under progress.
 - ii) Trail production of Round and Polygonal Ingots has commenced.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	Current year 2008-2009 (Rs. Lakhs)	Previous year 2007-2008 (Rs. Lakhs)
i) Foreign Exchange Earnings	2419.99	2836.85
ii) Foreign Exchange Outgo	4514.84	2760.35

INFORMATION AS PER SECTION 217 (2A) (b) (ii) OF THE COMPANIES ACT, 1956 (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2009.

Sl. No.	Name	Designation and Nature of duties	Remuneration Received		Qualification	Age	Experi-ence in Years	Date of commencement of employment	Particulars of last employment : Employer, last post and period for which post held
			Gross Rs.	Net Rs.					
1.	Srivastava, P.C.	Managing Director	28,46,976/-	11,20,934/-	B.E. (Elect.) M.B.A.	59	38	17.01.1983	The Tata Iron & Steel Co. Ltd., Jamshedpur, Sr. Analyst; 6 Years

Notes :

1. Gross remuneration comprises salary, allowances, monetary value of perquisites, commission to the Managing Director and, the Company's contribution to Provident and Superannuation Funds but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.
2. Net remuneration is after tax and is exclusive of Company's contribution to Provident and Superannuation Funds, and monetary value of non-cash perquisites.
3. The nature of employment is contractual.

On behalf of the Board of Directors

Anand Sen
Chairman

Jamshedpur, 6th May, 2009

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Company has been practicing good Corporate Governance over the years upholding the Tata traditions and values. The Company has not only put in place the system for compliance of regulatory requirements but also the system for customer satisfaction and meeting the expectation of its stakeholders, employees and the society. The core values of company are honesty and integrity, credibility, commitment, agility, team spirit and excellence.

BOARD OF DIRECTORS

The Board of Directors comprises of members having varied skills, experience and knowledge. The maximum number of members the Board can have, in accordance with the Articles of Association of the Company, is 12. The Board has one Executive and 7 Non-Executive Directors. Mr.P.C.Srivastava is the Managing Director of the Company. The Chairman is a non-executive Director. Total strength of the Board as at 31.03.2009 is 8.

None of the Director on the Board is a member in more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the Public companies in which he is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

The Non - Executive Directors (NED's) are paid sitting fees as per the Companies Act, 1956. Apart from sitting fees the NED's are also paid commission not exceeding 1% per annum of the net profit of the company computed in accordance with Section 309(5) of the Companies Act, 1956. The payment of commission to NED's has been approved by the shareholders at the Annual General Meeting held on 16th July, 2007, for a period of 5 years w.e.f 1st April, 2007.

BOARD MEETINGS

The Board of Directors met 5 times during 2008-2009 on 25.4.2008, 17.7.2008, 8.8.2008, 25.10.2008 and 23.1.2009. All the Board Meetings held during the year under review have been well attended.

The Board meetings during the year 2008-2009 has been held within the time gap as stipulated in Clause 49 of the Listing Agreement.

The details of attendance of individual Directors in the Board Meeting, at last Annual General Meeting and their Directorship and Committee Membership in other public companies are given below:

Name of Director	Category	Meetings attended	Last AGM attended	Other Public Companies			
				Directorship		Committees	
				Member	Chairman	Member	Chairman
Mr. Anand Sen Chairman. DIN-00237914	Promoter, Not Independent, Non-executive	5	Yes	3	-	4	-
Mr. P. C. Srivastava DIN-00022856	Not Independent, Executive	5	Yes	-	-	-	-
Dr. S. K Bhattacharya DIN-00026534	Independent, Non-Executive	4	Yes	3	-	4	-
Mr. Vijay Mathur DIN-00003652	Independent, Non-Executive	4	Yes	1	-	-	1
Mr. S. N. Menon DIN-01475746	Independent, Non-Executive	3	Yes	4	2	2	-
Mr. Dipak Banerjee* DIN-00028123	Independent, Non-Executive	4	Yes	9	-	8	4
Mr. V.S.N Murty** DIN-00092348	Promoter, Not Independent, Non-executive	2	No	6	-	4	-
Mr. Osamu Nishimura*** DIN-02503767	Promoter, Not Independent, Non-executive	-	No	-	-	-	-
Mr. Vannu. K. Jha+ DIN-00116939	Promoter, Not Independent Non-executive	4	Yes	×	×	×	×
Mr. N. K. Misra++ DIN-00026223	Promoter, Not Independent, Non-Executive	1	No	×	×	×	×
Mr. D. Sen Gupta+++ DIN-00092761	Promoter, Not Independent	1	No	×	×	×	×

* appointed as Director w.e.f. July 2, 2008.

** appointed as Director at the AGM held on August 8, 2008.

*** appointed as Additional Director w.e.f January 24, 2009:

+ ceased to be a Director w.e.f. January 24, 2009.

++ retired by rotation at the AGM held on August 8, 2008.

+++ ceased to be a Director w.e.f. July 2, 2008.

× not available

The Compliance to all applicable Laws is periodically reviewed by the Audit committee. The Audit committee reports to the Board on the same. The Managing Director submits a compliance certificate on quarterly basis at the meetings of the Board.

The Company has laid down a "Code of Conduct for NED's" and "Tata Code of Conduct" for its employees including the Managing Director. Both the Codes have been posted on www.tayorolls.com. The Managing Director's declaration to the affirmation of the Code of Conducts is on the page no. 52

BOARD COMMITTEES

The Board has constituted Committees of Directors to monitor the activities and to deal with matters within the terms of reference of the Committees thereof :

(a) Audit Committee

A qualified and Independent Audit Committee was constituted in the year 1997.

The members of the Audit Committee are non-executive directors, with majority of them being independent. The Chairman of the Committee is an independent director. The members bring with them vast experience in the field of operations, technical and finance. The Chief Financial Officer, Internal Auditor and a representative of Statutory Auditor attends the Audit Committee meetings. Company Secretary is the Secretary of the Committee. Other senior executives attend the Audit Committee as and when called for. The terms of reference of the Audit Committee include reviewing of the Internal Auditors' report, internal control system and procedures and ensuring compliance of statutory requirements, appointment of Statutory Auditors and fixation of their fees and all other powers as specified in the Clause 49 of the Listing Agreement.

The Audit Committee reviews the financial statements with the statutory auditors and the management with reference to the accounting policies and practices, before commending the same to the Board for its approval. Along with financial reviews the Audit Committee also reviews the Management Discussion & Analysis, statement of related party transactions, Internal Control weakness report issued by Internal Auditor and Statutory Auditors .

The Audit Committee met four times during the year 2008-09 on 25.4.2008, 17.7.2008, 25.10.2008 and 23.1.2009.

Composition of Audit Committee and details of the meeting attended :

Name	Category	No. of meetings attended during 2008-09
Dr. S. K. Bhattacharyya Chairman	Independent, Non-Executive	3
Mr. Vijay Mathur	Independent, Non-Executive	3
Mr. S. N. Menon	Independent, Non-Executive	2
Mr. N. K. Misra*	Promoter, Not Independent, Non-Executive	1
Mr. V. S. N. Murty**	Promoter, Not Independent, Non-Executive	2

* ceased to be a member of the Audit Committee w.e.f. August 8, 2008.

** appointed as a member of the Audit Committee w.e.f. August 8, 2008.

The Audit Committee held on 17.07.2008 was attended by Mr. N. K. Misra and Mr. Vijay Mathur. Dr. S. K. Bhattacharyya and Mr. S. N. Menon could not attend the meeting due to some unavoidable circumstances.

Dr. S. K. Bhattacharyya, the Chairman of the Audit Committee was present at the last Annual General Meeting held on August 8, 2008.

The Company does not have any Subsidiary Company.

The Company has laid down Risk Management Policy. Risk Management Policy is being revisited to adapt to the changing scenario.

(b) Remuneration Committee

The Remuneration Committee was constituted in the year 1994.

The Remuneration Committee comprises non-executive directors, majority of them being Independent Directors. The Chairman of the Remuneration Committee is an Independent Director. The terms of reference of the Remuneration Committee are to recommend to the Board, salary (including annual increments), perquisites and allowances, incentive remuneration, if any, and commission, to be paid to the Company's Managing/Whole-time Directors (MD/WTD's), to finalise the perquisites and allowances package within the overall ceiling fixed by the Board, to recommend to the Board retirement benefits to be paid to the MD and WTD' s under the Retirement Benefit Guidelines adopted by the Board.

One meeting of the Remuneration Committee was held on 25.4.2008. Mr. Vijay Mathur, Chairman of the Remuneration Committee, was present at the last Annual General Meeting held on August 8, 2008.

Composition of Remuneration Committee and details of the meeting attended :

Name	Category	No. of meetings attended during 2008-09
Mr. Vijay Mathur Chairman	Independent, Non-Executive	1
Mr. Anand Sen	Promoter, Not Independent, Non-Executive	1
Dr. S. K. Bhattacharyya	Independent, Non-Executive	1
Mr. S. N. Menon	Independent, Non-Executive	1

Remuneration Policy

The Remuneration Policy Committee while deciding the Remuneration package of the Managing/whole-time Directors takes into consideration the industry

standards, broad frame work of group policy, merit, Company's performance and the terms of appointment approved by the shareholders at the general meeting. The Remuneration package consists of Salary, Perquisites & Allowances (fixed components) and Incentive Remuneration, if any, and Commission (variable components). The salary of the Managing/ Whole-time Directors is fixed within the maximum salary as approved by the shareholders. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board.

The Incentive Remuneration or the Commission are decided based on the net profits, performance, production, industrial relations, etc., of the Company for each relevant year.

The Non-Executive Directors (NEDs) are paid Commission at a rate not exceeding 1% per annum of the net profits of the Company computed in accordance with Section 309 (5) of the Companies Act, 1956. The distribution of commission amongst the NEDs is placed before the Board. The commission is distributed broadly on the basis of the Board Meetings and various Committee Meetings attended and chaired by the NEDs. The criteria for payment of commission to the NEDs is given in the Company website www.tayorolls.com. During the year 2008-09, no commission has been approved for the NEDs.

The NEDs are also paid sitting fees of Rs. 8,000/- per meeting (Board Meetings, Audit and Remuneration Committees) and Rs.5,000/- per meeting for all other Committees of the Board attended by them.

Details of remuneration 2008-09 :

Non-Executive Directors

Name	Sitting fees
Mr. Anand Sen	63,000
Dr. S. K. Bhattacharyya	64,000
Mr. Vijay Mathur	64,000
Mr. S. N. Menon	53,000
Mr. Dipak Banerjee	32,000
Mr. V. S. N. Murty	42,000
Mr. Osamu Nishimura	-
Mr. Varun. K. Jha	42,000
Mr. N. K. Misra	16,000
Mr. D. Sen Gupta	8,000
Total	3,84,000

Managing/Whole-time Directors

Name	Salary Rs. In lakhs	Perquisites & Allowances Rs. In lakhs
Mr. P. C. Srivastava, Managing Director	19.05	9.42

Period of Contract : 3 years (up to 31.1.2010) w. e. f. 1.2.2007.
The contract may be terminated by either party giving the other party six months' notice in writing of such termination or by the Company giving six months' salary in lieu of such notice.

Severance fees : Nil

c) Shareholders/Investors Grievance Committee

The shareholders/Investors Grievance Committee was constituted in the year 2001.

The Shareholders/Investors Grievance Committee comprises of non-executive Directors and primarily looks into shareholders redressal and investors complaints. One meeting of the Committee was held on October 25, 2008.

Composition of shareholders/Investors Grievance Committee and details of the meeting attended :

Name	Category	No. of meetings attended during 2008-09
Mr. Anand Sen Chairman	Promoter, Not independent, Non-Executive	1
Mr. Vijay Mathur	Independent Non-Executive	-
Mr. V. S. N Murty*	Promoter, Not independent, Non-Executive	1
Mr. N. K. Misra**	Promoter, Not independent, Non-Executive	-

* appointed as a member of the Committee w.e.f. August 8, 2008.

** ceased to be a member of the Committee w.e.f. August 8, 2008.

During the year under review the Company received 882 correspondence from its shareholders relating to non-receipt of dividend, non-receipt of shares sent for transfer, enquiry for dematerialization, split/transmission, change in address etc. No correspondence were pending as on 31.03.2009. There were 2 pending transfers as on 31.3.2009, which have been processed and dispatched within second week of April, 2009.

d) Share Transfer Committee : Constituted in the year 1969.

Share Transfer Committee has been constituted for approving share transfers, sub-division of shares and issue of fresh share certificates with the following members, with the authority to act individually :

1. Mr. Anand Sen
2. Mr. P. C. Srivastava
3. Mr. V. S. N Murty*
4. Mr. N. K. Misra **
5. Mr. G. Vaidyanathan, Company Secretary & E.O.

* appointed as a member of the Committee w.e.f. August 8, 2008.

** ceased to be the member of the Committee w.e.f. August 8, 2008.

e) Ethics & Compliance Committee : Constituted in the year 2002.

Ethics and Compliance Committee has been constituted in terms of the Ammended regulations of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board had adopted a "Code of Conduct" for Prevention of Insider Trading and "Code of Corporate Disclosure Practices" for its Directors, Officers and Employees.

The terms of reference of the Committee are to oversee the implementation of regulation of the code, take on record the status report prepared by the Compliance Officer detailing the dealings in Securities by the specified persons and decide on penal action in respect of violation of the regulation/code by the specified person.

Mr.P.C.Srivastava, Managing Director and Mr. Varun K.Jha, Promoter, Not independent, Non-Executive were members of the Committee, which was re-constituted inducting Mr. Dipak Banerjee as member effective 23.04.2009. Presently, Mr. P. C. Srivastava and Mr. Dipak Banerjee are the members of the Committee.

Mr. P. Hariharan, Chief Financial Officer, has been appointed as the Compliance Officer for implementation of Regulation (Prohibition of Insider Trading) and overseeing the compliance with the Regulations and Code across the Company.

The Managing Director and the Company Secretary & E.O have been appointed as the Public Spokesperson pursuant to the code as required under the regulation, who would be responsible to ensure timely and adequate disclosure of price sensitive information to the investors.

f) Governance Council : Constituted in the year 2003.

Governance Council of the Board will be responsible for the formation and evaluation of the

Board of Directors of the Company. The Council is constituted with the following Directors:

Mr. Anand Sen

Dr. S. K. Bhattacharyya

g) Committee of the Board : Constituted in the year 2003.

The terms of reference of the Committee of the Board (COB) are to approve capital expenditure schemes and to recommend to the Board, capital budget and other major capital schemes, to consider new business, diversification and future strategy.

The Committee is constituted with the following Directors:

Dr. S. K. Bhattacharyya,* Chairman

Mr. V. S. N. Murty*

Mr. N. K. Misra+

Mr. D. Sen Gupta ++

* appointed as a member of the Committee w.e.f. August 8, 2008.

+ ceased to be the member of the Committee w.e.f. August 8, 2008.

++ ceased to be a member of the Committee w.e.f. July 2, 2008.

Other than the above Committees, the Board also constitutes Committee for specific purpose as and when required. The Board has constituted Committee of Directors – Rights Issue for approving matters relating to Rights Issue and Committee of Directors – Debt Funds for approving the borrowings for the new project.

Name, Designation & address of Compliance Officer:

Mr. G. Vaidyanathan,
Company Secretary & E.O,
Tayo Rolls Limited,
XLRI New Administrative Building,
C.H. Area (East),
Jamshedpur – 831 001.

Tel.No. 0657-2225643/2231384

Fax No. 0657-2226435

e-mail : tayoregd@satyam.net.in

investors_helpdesk@tayo.co.in

GENERAL BODY MEETING DETAILS

	2006	2007	2008
Date	27.07.2006	16.07.2007	8.08.2008
Time	4.00 p.m.	4.00 p.m.	4.00 p.m.
Venue	Centre for Excellence, Jubilee Road Jamshedpur	Centre for Excellence, Jubilee Road Jamshedpur	Centre for Excellence, Jubilee Road Jamshedpur

Special Resolution passed in the last three Years at the Annual General Meetings:

Year	Brief Particulars	AGM/ EGM	Date
2008	Raising of Funds by way of Rights Issue revised to Rs. 60.34 crores (u/s 81 of the Companies Act, 1956)	EGM	02.09.2008
2007	(i) Increase in the Authorised Share Capital from Rs.10,00,00,000 divided into 1,00,00,000 Equity Shares of Rs.10 each to Rs.15,00,00,000 divided into 1,50,00,000 Equity Shares of Rs.10 each (u/s 16 and 94 of The Companies Act, 1956).	EGM	23.11.2007
	(ii) Alteration of the Articles of Association of the Company giving effect to the increase in the Share Capital of the Company to Rs.15,00,00,000 (u/s 31 of The Companies Act, 1956).		
	(iii) Raising of funds by way of Rights Issue not exceeding Rs.46,00,00,000 including premium, if any (u/s 81 of The Companies Act, 1956).		
2007	(i) Approval to the re-appointment and terms of remuneration of Mr. Pradeep Chandra Srivastava as Managing Director with effect from 1 st February, 2007 (u/s 269, 309, 310 and 311 of The Companies Act, 1956).	AGM	16.7.2007
	(ii) Payment of remuneration to the Directors (other than the Managing Director and the Whole-time Director) for a period of five years with effect from 1.4.2007 (u/s 309 of The Companies Act, 1956).		
2006	Delisting of the Equity Share of the Company from Magadh Stock Exchange Association, Patna.	AGM	27.07.2006

No special resolution was passed through Postal Ballot in the last year and no Postal Ballot is proposed for this year either.

As required under the Clause 49 (G) (i) of the Amended Clause 49 of the Listing Agreement, particulars of Directors seeking appointment / reappointment are given in the Annexure to the Notice.

Disclosures

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large :

There are no materially significant related party transactions which have potential conflict with the interest of the company at large. The related party transactions are given in the notes on the Balance-sheet and Profit & Loss Account at Page Nos. 41 & 42

Details on non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : Nil

Whistle Blower Policy: This is to affirm that no person has been denied access to the Audit Committee.

The Company has complied with all the mandatory requirements. The adoption of the non-mandatory requirements is given on page no. 52

The Quarterly results for the periods ended 31.3.2008, 30.6.2008, 30.9.2008 and 31.12.2008 were normally published in Business Standard, Avenue Mail, Prabhat Khabar, Uditvani and also been posted in www.tata.com and Company's Web site www.tayorolls.com

In terms of Stock Exchanges' directive, effective the quarter ending 31.12.2002, the Company has been posting the Financial Results and Shareholding Pattern (under Clause 35 of the Listing Agreement) in www.sebidifar.nic.in .

TAYO ROLLS

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Details of Compliance/ Adoption of the Non-Mandatory requirements under the revised Clause 49 of the Listing Agreement.

Sl. No.	Particulars	Status
1.	Non-executive Chairman may be entitled to maintain a Chairman's office at the company's expenses and also allowed reimbursement of expenses incurred for performance of his duties	Not Adopted
2.	Remuneration Committee i) The above Committee has been constituted for recommending the remuneration of MD/WTD, retiral benefits of MD/ WTDs. ii) The Chairman of the Committee is an Independent Director iii) All the Members of the Committee have been present at the Meetings held so far. iv) The Chairman of the Committee was present at the last Annual General Meeting of the Members.	Adopted
3.	Independent Directors Non-Executive Directors may have a tenure not exceeding in the aggregate, a period of 9 years on the Board of the Company.	Adopted
4.	Shareholder rights The half yearly declaration of financial performance including summary of the significant events in the last 6 months should be sent to each household of shareholders.	Not Adopted
5.	Audit qualifications The company may move towards a regime of unqualified financial statements	Not Adopted
6.	Training of Board Members Board Members may be trained in the business model of the company as well as on the risk profile of the business parameters of the company, their responsibilities as Director and the best ways of discharging them.	Not Adopted
7.	Evaluation of Non-Executive Board Members Mechanism for evaluating performance of Non-Executive Directors by peer group consisting of entire Board excluding the Director being evaluated.	Not Adopted
8.	Whistle Blower Policy The company may establish a mechanism for employees to report to the Management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.	Adopted

The general shareholders' information is given in the Shareholders' Information section as an annexure to this report.

DECLARATION

I, P.C.Srivastava, Managing Director of TAYO ROLLS LIMITED, on the basis of confirmation received from the Board Members and Senior Management, hereby declare that all the Board Members and Sr. Management personnel, have affirmed compliance with the Code of Conduct of Non-Executive Directors and the Tata Code of Conduct respectively.

Date : 06.05.2009
Place: Jamshedpur

Sd/-
(P. C. Srivastava)
Managing Director

SHAREHOLDERS' INFORMATION

1. Regd. Office Address

Tayo Rolls Limited,
XLRI New Administrative Building,
XLRI Campus, C.H.Area (East),
Jamshedpur - 831 001.
Phone : (0657) 2225643, 2231384,
Fax : (0657) 2226435,
e-mail : tayoregd@sify.net.in
tayoregd@tayo.co.in

Plant Location

TAYO Works, Gamharia,
Dist. Seraikella-Kharsawan, Jharkhand
Phone : (0657) 2386061, 2387790,
2387791
Fax : (0657) 2386059

2. Registrars & Transfer Agents

TSR Darashaw Ltd,
(formerly Tata Share Registry Ltd)
6-10 Haji Moosa Patrawala Ind. Estate,
20, Dr.E.Moses Road, Mahalaxmi,
Mumbai - 400 001.
Phone : (022) 66568484
Fax : (022) 66568494/66568496
E-mail : csg-unit@tsrdarashaw.com
Web : www.tsrdarashaw.com

Branch Offices of TSR Darashaw Ltd:

TSR Darashaw Ltd. Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001. Phone : 0657-2426616 Fax : 0657-2426937 E-mail : tsrljsr@tsrdarashaw.com	TSR Darashaw Ltd. Tata Centre, 1 st Floor, 43, Jawaharlal Nehru Road, Kolkata 700 071. Phone : 033-22883087 Fax : 033-22883062 E-mail : tsrlcal@tsrdarashaw.com
TSR Darashaw Ltd. 503, Barton Centre (5 th Floor), 84, M. G. Road, Bangalore-560001. Phone : 080-25320321 Fax : 080-25580019 E-mail : tsrlbang@tsrdarashaw.com	TSR Darashaw Ltd. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi 110 002. Phone : 011-23271805 Fax : 011-23271802 E-mail : tsrlde@tsrdarashaw.com
Agent : Shah Consultancy Services Limited, Sumatinath Complex, 2 nd Dhal Pritam Nagar, Ellis Bridge, Ahmedabad 380 006 Telefax : 079-26576038 E-mail : Shahconsultancy@hotmail.com	

3. Investors Relation Assistance

Mr. G. Vaidyanathan, Company Secretary & E. O., Tayo Rolls Limited, XLRI New Administrative Building, XLRI Campus, C. H. Area (East), Jamshedpur - 831 001. Phone : (0657) 2231384 Fax : (0657) 2226435 e-mail : tayoregd@satyam.net.in investors_helpdesk@tayo.co.in	Mr. Chandra N. Amin, Dy. Manager, TSR Darashaw Ltd., 6-10 Haji Moosa Patrawala Ind. Estate, 20, Dr. E.Moses Road, Mumbai - 400 001. Phone : (022) 66568484 Fax : (022) 66568404/66568496 E-mail : camin@tsrdarashaw.com Web : www.tsrdarashaw.com
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4. Listing

The Company shares are listed at:
The Stock Exchange (BSE), Mumbai, Stock Code : BSE-4961 (Physical) - 504961 (Demat Form).
The Company has paid Annual listing fees to the above Stock Exchange for the Financial Year 2008-09.
The SEBI Appellate Tribunal vide its order dated 27.10.2008 upheld the decision of SEBI of not granting the renewal of recognition to Magadh Stock Exchange (MSE). Consequent to which the equity shares of the Company are no more listed on MSE.
Pursuant to the Rights Issue of 47,88,700 fully paid-up equity shares of face value of Rs.10/- each at a premium of Rs.116/- per equity share, the Committee of Board on December 1, 2008 allotted 47,88,135 equity shares of Rs.10/- each fully paid-up. The said shares have been listed with the Bombay Stock Exchange with effect from December 04, 2008.

5. Financial Year - 1.04.2008 to 31.03.2009.

6. Annual General Meeting

Date : 02.09.2009
Venue : Center for Excellence, Jubilee Road,
Jamshedpur -831 001.
Time : 4.00 p.m.

7. Book Closure Dates

August 27, 2009 to September 02, 2009 (both days inclusive).

8. Dividend Payment Date

The Directors have not recommended any dividend for the year 2008-09.

9. Financial Calendar

Annual General Meeting - 02.09.2009
Financial Results
1st Quarter, 2008-09 - 31.07.2009
2nd Quarter, 2008-09 - 2nd week of October, 2009.
3rd Quarter, 2008-09 - 2nd week of January, 2010.
4th Quarter, 2008-09 - 3rd week of April, 2010.

10. Share Transfer System

The Board has authorised severally a few Directors and the Company Secretary to approve the share transfers.
The shares for transfer, complete in all respects, are processed and despatched within 20 days from the date of receipt of transfer request.

11. Dematerialisation of Shares and Liquidity

The Depositories have allotted **ISIN No. INE 895C01011** to the Company script. The Company Shares are actively traded in the Stock Exchanges where they are listed. As at 31.3.2009, 57.49% shares stand dematerialised. The Equity Shares of the Company are actively traded at Bombay Stock Exchange.

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12. Unclaimed Dividend

Pursuant to Sec. 205C of the Companies Act, 1956, the dividend remaining unclaimed for a period of 7 years from the date of transfer of the same into 'Unpaid dividend Account', needs to be transferred to "Investors Education & Protection Fund" established by the Central Government. The details of dividend remaining unclaimed for various years along with due date of Transfer to the Fund are given below:-

Sl. No.	Financial Year	Date of Transfer to unpaid Dividend Account.	Dividend %	Dividend Amount	Unclaimed Dividend Amount as on 31.3.2009	Due Date for Transfer	Unclaimed Dividend Over the Total Payout %
				(Rs.)	(Rs.)		
1	2001-02	17.06.2002	22.00	1,20,40,160	1,46,790.80	16.06.2009	1.21
2	2002-03	20.08.2003	27.00	1,47,76,560	1,99,678.50	19.08.2010	1.35
3	2003-04	03.09.2004	27.00	1,47,76,560	2,18,689.20	02.09.2011	1.47
4	2004-05	23.08.2005	40.00	2,18,91,200	3,97,976.00	22.08.2012	1.81
5	2005-06	24.08.2006	40.00	2,18,91,200	4,52,124.00	23.08.2013	2.06
6	2006-07	14.08.2007	42.50	2,32,59,400	5,45,300.50	13.08.2014	2.34
7	2007-08	14.09.2008	40.00	2,18,91,200	4,94,184.00	13.09.2015	2.25

The unclaimed dividend relating to the year 2000-2001 has been transferred to Investors Education & Protection Fund on 22.09.2008. Shareholders who have not encashed the dividend for the above periods may write to the, Company or, Registrar & Share Transfer Agent, claiming the same.

13. Top five share holders as on 31.03.2009

Sl. No.	Top Five share holders	No. of Shares held	%
1.	Tata Steel Ltd	5587372	54.45
2.	Yodogawa Steel Works Ltd.	1536704	14.98
3.	Sojitz Corporation	307341	3.00
4.	Asha Chokhany	81520	0.79
5.	Hasmukh Parekh	72200	0.70

14. Shareholding pattern of the Company as on 31.03.2009

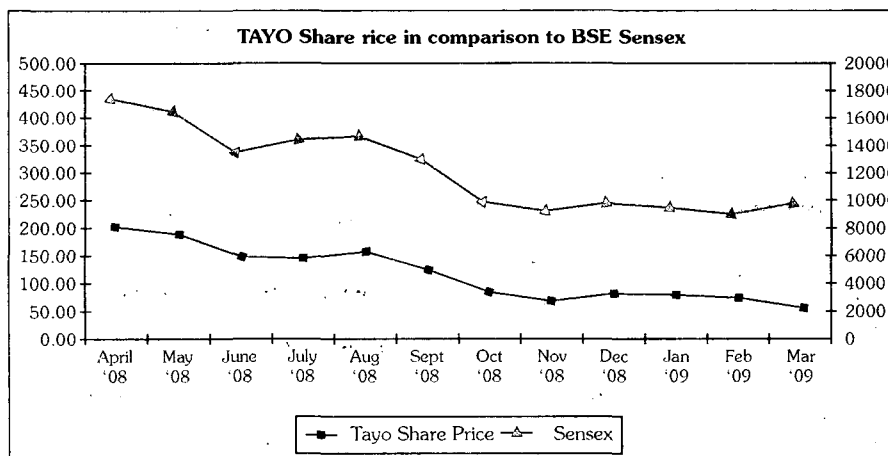
Category	Shares held	% to Capital
Indian Public	2405035	23.44
Bodies Corporate	319269	3.11
Promoters	7512417	73.22
FII's, NRIs	22464	0.22
Mutual Funds, Banks, FIs	1750	0.01
Total	10260935	100

15. Distribution of Shareholding as on 31.03.2009

No. of Equity Shares held	No. of Holders	% to Holdings	% to Holders	Amount (Rs.)	% to Capital
1 to 500	8231	1144142	93.30	11441420	11.15
501-1000	320	245902	3.63	2459020	2.4
1001-2000	144	213609	1.63	2136090	2.08
2001-3000	35	89270	0.40	892700	0.87
3001-4000	17	60604	0.19	606040	0.59
4001-5000	15	70047	0.17	700470	0.68
5001-10000	28	222354	0.32	2223540	2.17
10001 and above	32	8215007	0.36	82150070	80.06
Total	8822	10260935	100	102609350	100

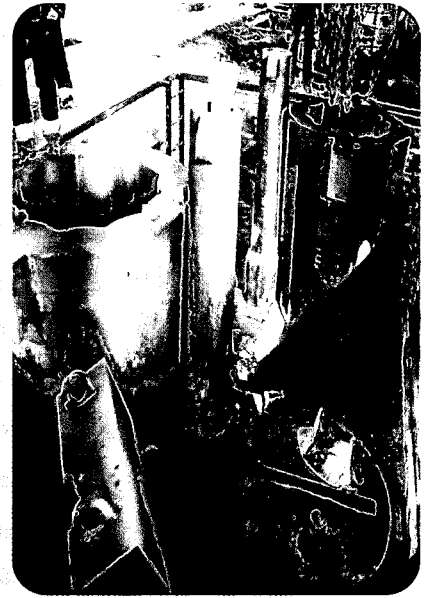
16. STOCK MARKET DATA (BSE)

Months	High (Rs.)	Close (Rs.)	Volume Traded (No. of Shares)
Apr'08	218.00	202.95	50251
May'08	237.50	187.25	34671
June'08	217.50	150.00	26613
July'08	190.00	146.80	30874
Aug'08	189.95	157.90	111153
Sep'08	158.70	126.25	31475
Oct'08	131.70	84.75	34373
Nov'08	101.25	68.40	40495
Dec'08	97.80	83.40	42758
Jan'09	99.95	79.95	52281
Feb'09	96.45	74.50	47931
Mar'09	88.00	57.80	70910

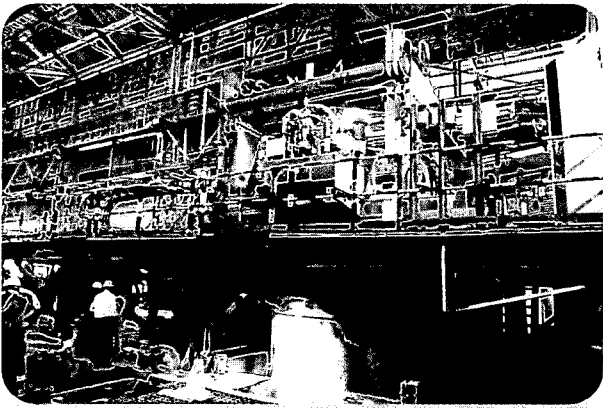




25T EAF (revamped)



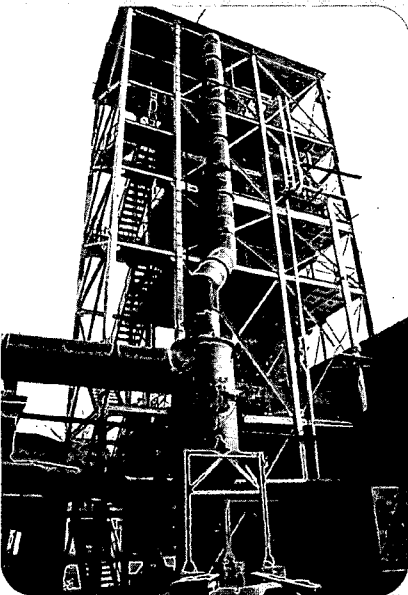
Pit side



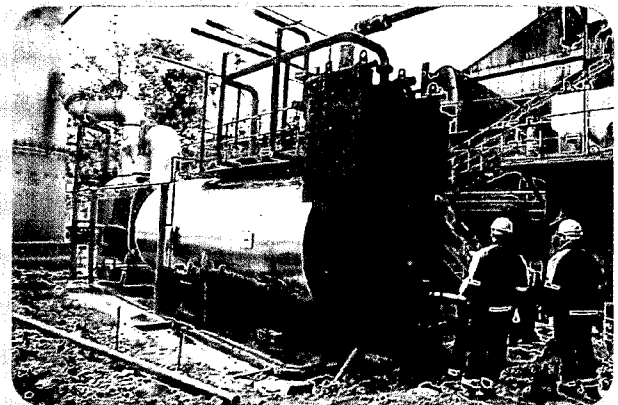
LF-VD



Main receiving Sub-Station



Ejector



Boiler under creation

TAYO ROLLS LIMITED

XLRI New Administrative Building
XLRI Campus, Circuit House Area (East)
Jamshedpur - 831 001

