



30<sup>th</sup> June, 2021

The Secretary – Listing Department,  
Bombay Stock Exchange Limited,  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai – 400 001.

**Stock Code: 504961**

Website: [listing.bseindia.com](http://listing.bseindia.com)

Dear Sir/Madam,

Please find enclosed herewith Audited financial results of the Company as on 31<sup>st</sup> March, 2021, along with Auditors Report thereon as approved by the Resolution Professional at the meeting held today.

No dividend is recommended by the Resolution Professional for FY 2020-21.

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

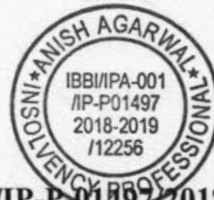
You are requested to kindly take the same on record.

Yours faithfully,  
For TAYO ROLLS LIMITED

(Anish Agarwal)

**Resolution Professional**

**IP Registration No.: IBBI/IPA 001/IP-P-01497/2018-2019/12256**



Encl: As above

(TAYO Rolls Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Anish Agarwal (IP Registration No.: IBBI/IPA 001/IP-P-01497/2018-2019/12256) vide order dated October 30, 2019.)

### **TAYO ROLLS LIMITED**

Regd. Office: Road No. 11, Qr. No. 3, C. H. Area (North East), Bistupur, Jamshedpur-831001, Jharkhand, INDIA

Works Office: Large Scale Industrial Estate, Gamharia, 832 108, Jharkhand, India  
Office Phone ; 91-657-2227821/6508041/2220472, e-mail : [tayoregd@tayo.co.in](mailto:tayoregd@tayo.co.in)  
Website: [www.tayo.co.in](http://www.tayo.co.in), Corporate Identity Number : L27105JH1968PLC000818

**A TATA Enterprise**



# RUBS & CO

Chartered Accountants

R.NO.202A, Mahalaxmi Complex, Line  
Tank Road | RANCHI 834001 | JHARKHAND  
Email: [casatya.snp@gmail.com](mailto:casatya.snp@gmail.com)

**Independent Auditor's Report pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.**

**To The Resolution Professional/ Board of Directors of TAYO Rolls Limited**

## **Qualified Opinion**

We have audited the accompanying standalone financial Results of Tayo Rolls Limited ("the Company") for the quarter ended 31<sup>st</sup> March, 2021 and for the period from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 ("the statement") being submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended including relevant circulars issued by the Securities and Exchange Board of India (SEBI) from time to time. This statement is the responsibility of the Company's management and has been approved by the Resolution Professional. Our responsibility is to express a conclusion on these financial statements based on our review.

In our opinion and to the best of our information and according to the explanations given to us except for the matters described in Basis for Qualified Opinion, the said standalone IND AS financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter ended 31<sup>st</sup> March, 2021 as well as the year-to-date results for the period from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021.

## **Basis for Qualified Opinion**

*We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and*





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*we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone IND AS financial results.*

*We draw attention to the matters described below, the affect of which, individually or in aggregate, are material and pervasive to the Standalone Ind AS financial results and matters where we are unable to obtain sufficient and appropriate audit evidence. The effects of matters so described which could be reasonably determined and quantified are given therein. Our opinion is qualified in respect of these matters:*

- 1. We refer to the Note e) (iii) of SEBI Note to Financial Statements; the company has excluded Income earned and expenses incurred since the inception of CIRP as these CIRP expenditures are payable by Resolution Applicant as per Section 30 (2) or in case of liquidation the same will be paid from the liquidation proceeds as per Section 53 of the IBC, 2016. Accordingly, the CIRP expenses and income booked in the previous year have also been reversed and have been credited to Retained Earnings as prior period adjustment in the current year ended on 31st March 2021. The effect of such exclusion for the F.Y. 2019-20 has been presented in the table below:*

*Amount in Rs lakh*

<i>Particulars</i>	<i>2019-20</i>	
	<i>Dr</i>	<i>Cr</i>
<i>Retained Earnings</i>	-	211.35
<i>Asset</i>	-	797.46
<i>Liabilities</i>	946.56	-

*This is a non-compliance of IND AS 8 which requires prior period adjustments in the year of transaction, in this case, it should have been done in the year F.Y. 2019-20. Accordingly, the Assets of previous year is overstated by the amount mentioned in the table above and Liabilities are also overstated. The same have been corrected in the F.Y. 2020-21.*

- 2. As required by Standards on Auditing (SA's) we could not carry out physical verification of inventories or fixed assets. Accordingly, we could not obtain sufficient and appropriate audit evidence for adequacy and reasonableness of management estimates for fair valuation/net realizable value of various assets. These matters can have material and pervasive impact on the financial statement. Consequential*





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*impact, if any, of matters described below, on recognition of certain components in financial statement including its presentation/disclosure is currently not ascertainable. Certain such matters pertaining to major elements of financial statements are mentioned below:*

a. *Pending CIRP, the company has not carried out impairment testing of tangible assets in its entirety as at the balance sheet date. Basis the information and explanation provided to us, RP had carried out the physical valuation of assets and also got the valuation done once through registered valuer on 4th July, 2019.*

*However, no accounting impact was given based on the outcome of the valuation and physical verification pending CIRP.*

b. *Pending CIRP, the company has not carried out physical verification of its assets in its entirety as at the balance sheet date.*

### 3. *Material uncertainty related to Going Concern*

*We refer to Note f) of SEBI Notes to Financial Statements; the Company is not in operation since September 2016. The net worth of the Company has already been eroded. A resolution plan submitted by JSEB/JBVNL (one of COC members) for restructuring of the company and has been approved by COC and filed with Honorable NCLT Kolkata for its approval. However, unless the same is approved the position of the company will not undergo a drastic favorable change. Considering, these factors the going concern assumption is not appropriate for preparing the IND AS financial statements and the IND AS financial statements have been prepared other than going concern basis, however, no adjustments have been made to the carrying value of assets and liabilities and their presentation and classification in the Balance Sheet pending CIRP.*

### **Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of the financial statements. The Company's Board of Directors / Resolution Professional are responsible for the preparation of these standalone financial results that give a true and fair view of the financial statements and other financial information in accordance with the accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.





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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material





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uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Emphasis of Matter

1. We draw attention to the accompanying Note a) to the unaudited standalone financial results wherein it has been informed that the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench admitted the Corporate Insolvency Resolution Process (CIRP) against the Company vide an order dated 5th April, 2019. Pursuant to this order, the powers of the Board of Directors were suspended and were exercisable by Mrs. Vinita Agrawal, the Interim Resolution Professional (IRP) appointed by the NCLT who was consequently confirmed to continue as the Resolution Professional (RP) by the Committee of Creditors (COC). Subsequently, in the fifth meeting of Committee of Creditors (COC) it was unanimously decided to replace Mrs. Vinita Agrawal by Mr. Anish Agarwal as RP which was confirmed by Hon'ble NCLT vide order dated 30th October, 2019. Further, as stated in Note f) to the standalone financial results, the net worth of the Company has already been eroded. A resolution plan submitted by JSEB/JBVNL (one of COC members) for restructuring of the company and has been approved by COC and filed with Honorable NCLT, Kolkata for its approval. However, unless the same is approved, the position of the company will not undergo a drastic favorable change. As such the going concern assumption is not appropriate for preparing the IND AS financial





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statements and these IND AS financial statements have been prepared other than going concern basis. Our opinion has not been modified in respect of this matter.

- We draw attention to the accompanying point iii of Notes e) wherein it has been stated that since the inception of CIRP, the income earned and expenses incurred have been excluded from the Financial Statement as these CIRP expenditures are payable by Resolution Applicant as per Section 30 (2) or in case of liquidation the same will be paid from the liquidation proceeds as per Section 53 of the IBC, 2016. Accordingly, the CIRP expenses booked till the nine-month ended on 31<sup>st</sup> December, 2020 have been reversed in the fourth quarter ended on 31<sup>st</sup> March 2021, in the profit and loss statement. The corresponding figures of previous year have also been reversed and have been credited to Retained Earnings as prior period adjustment in the current year ended on 31<sup>st</sup> March 2021. The effect of such exclusion has been presented in the table below:

**Amount in Rs lakh**

Particulars	2019-20		2020-21	
	Dr	Cr	Dr	Cr
Retained Earnings	-	211.35	-	-
Income	-	-	93.04	-
Expenses	-	-	-	155.17
Asset	-	797.46	30.54	145.35
Liabilities	946.56	-	2.87	1.61

Further, the company received a letter no. 468 dated 23.06.2021 from Employees' Provident Fund Organisation, Jamshedpur wherein it has been informed that the Tata Yodogawa Provident Fund Trust has booked a receivable of Rs. 2535563/- for the year ended 2018-19 and 2019-20 on account of loss of the trust because of the shortfall in the earnings of the trust. As per the byelaws of the Trust, such loss/shortfall has to be paid by the company to Trust. However, as the CIRP has commenced since 5th April 2019 and the corresponding expense and liability of the said amount has not been provided for in the books of the company. The said shortfall amount will be paid by the Resolution Applicant on approval of Resolution Plan by Honorable NCLT, Kolkata.

- We draw attention to the accompanying Notes g) and h) wherein it has been stated that the Audited Financial Statements of the Company for the financial year ended 31st March 2020, the reports of the Board of Directors / Resolution Professional and the reports of the Auditor thereon were not approved and passed in the 52nd Annual General Meeting (AGM) of the Company held on 25th September 2020; also we continue to be the auditors in terms of section 139(9) and 139(10) of the





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Companies Act 2013 as no auditor was appointed or re-appointed in the said AGM.

4. We draw attention to the accompanying Note i) to the unaudited standalone financial results wherein it has been stated that the receivables of the Company are largely from the Government authorities in the form of tax advances and input credits, the company does not foresee any significant impact on their carrying amount because of the COVID-19 pandemic. However, the actual results may differ depending upon future developments. Our opinion has not been modified in respect of this matter.

## Other Matter

The annual standalone IND AS financial results include the results for the quarter ended 31st March, 2021 being the balancing figure between audited figures in respect of the full financial year and the published unaudited figures up to the third quarter of the current financial year which were subject to limited review by us.

For R U B S & CO  
Chartered Accountants  
FRN: 014560C  
By the hand of



Satya Narayan Prasad  
Partner

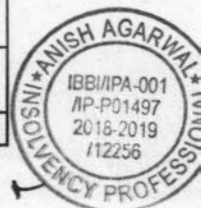
Membership No. 065252  
UDIN: 21065252AAAADW3443

Ranchi, 29<sup>th</sup> June, 2021



**TAYO ROLLS LIMITED**  
**Corporate Identity Number : L27105JH1968PLC000818**  
**Part II : AUDITED BALANCE SHEET AS AT 31ST MARCH, 2021**

ASSETS	Rupees in lakhs	
	As at 31.03.2021	As at 31.03.2020
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,202	3,552
(b) Capital work-in-progress	-	-
(c) Other intangible assets	-	-
(d) Financial assets	-	-
(i) Investments:		
Other investments	-	-
ii) Other financial assets	382	382
(e) Non-current tax assets	326	384
(f) Other non-current assets	191	191
<b>Total non-current assets</b>	<b>4,101</b>	4,509
<b>Current assets</b>		
(a) Inventories	764	764
(b) Financial assets		
(i) Trade receivables	-	-
(ii) Cash and cash equivalents	3	174
(iii) Bank balances other than cash and cash equivalents	0	761
(iv) Other financial assets	61	61
(c) Other current assets	402	152
<b>Total current assets</b>	<b>1,230</b>	1,912
<b>Total assets</b>	<b>5,331</b>	6,421
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,026	1,026
(b) Other equity	(48,747)	(48,604)
<b>Total equity</b>	<b>(47,721)</b>	(47,578)
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	33,297	33,292
<b>Total non-current liabilities</b>	<b>33,297</b>	33,292
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	6,700	5,700
(ii) Trade payables	3,272	3,278
(iii) Other financial liabilities	4,967	4,967
(b) Provisions	1,734	1,734
(c) Current tax liabilities (net)	123	123
(d) Other current liabilities	2,959	3,905
<b>Total current liabilities</b>	<b>19,755</b>	20,707
<b>Total liabilities</b>	<b>53,052</b>	53,999
<b>Total equity and liabilities</b>	<b>5,331</b>	6,421



TAYO ROLLS LIMITED

Registered Office : 3, Circuit House Area (North-East), Road No-11, Bistupur, Jamshedpur- 831 001, INDIA  
Corporate Identity Number : L27105JH1968PLC000818  
Web site: www.tayo.co.in E-mail Id: tayoregd@tayo.co.in

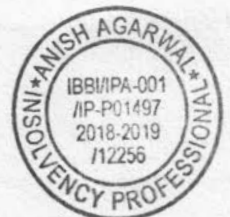
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND YEAR ENDED 31ST MARCH, 2021

PART I

Rupees in Lakhs

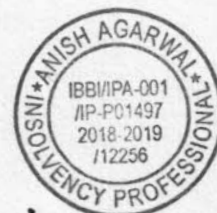
Particulars	Quarter ended		Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021
	Audited	Unaudited	Unaudited	Audited
I Revenue from operations				
II Other income	(78)	20	20	-
III Total income (I + II)	(78)	20	20	-
IV Expenses				
a) Cost of materials consumed	-	-	-	-
b) Changes in inventories of finished goods, stock in trade and work in progress	-	-	-	-
(c) Excise duty on sale of goods	-	-	-	-
(d) Employee benefits expense	(7)	2	(480)	-
(e) Finance costs	1	1	(352)	5
(f) Depreciation and amortization expense	86	88	140	349
(g) Consumption of stores	-	-	-	-
(h) Power and fuel	(1)	-	2	-
(i) Other expenses	(107)	28	26	-
Total expenses (IV)	(28)	119	(664)	354
V Profit/(Loss) before exceptional items and tax (III - IV)	(50)	(99)	684	(354)
VI Exceptional Items (Refer note 'b')	-	-	-	-
VII Profit/(Loss) before tax (V - VI)	(50)	(99)	684	(354)
VIII Tax expense:	-	-	-	-
IX Profit/(Loss) for the year (VII - VIII)	(50)	(99)	684	(354)
X Other comprehensive income				
Items that will not be reclassified to profit and loss				
Equity instruments through other comprehensive income	-	-	-	-
Total other comprehensive income for the period (X)	-	-	-	-
XI Total comprehensive income/(loss) for the period (IX + X)	(50)	(99)	684	(354)
XII Paid-up equity share capital (Face value : Rs.10 per share)	1,026	1,026	1,026	1,026
XIII Other equity				(48,747)
				(48,604)
XIV Earnings per share (EPS) (of Rs 10/- each) (not annualised)				
i) Basic and diluted EPS before extraordinary items for the period	(0.49)	(0.97)	6.67	(3.45)
ii) Basic and diluted EPS after extraordinary items for the period	(0.49)	(0.97)	6.67	(3.45)

(See accompanying notes to the financial results)



**TAYO ROLLS LIMITED**  
**CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021**

		Rupees in lakhs	
		Year ended 31.03.2021	Year ended 31.03.2020
<b>A.</b>	<b>Cash flow from operating activities:</b>		
	<b>Loss for the period</b>	(354)	(793)
	Adjustments for:		
	Depreciation and amortisation expense	349	561
	Loss on sale/write off of tangible assets	-	-
	Finance costs recognised in profit or loss	5	5
	Interest Income recognised in statement in profit and loss	-	(36)
	Income recognised in profit and loss for write back of liabilities no longer required	-	(11)
	Prior period adjustment	211	
	Expenses recognised in profit and loss for exceptional items	-	-
		<b>211</b>	<b>(274)</b>
	<b>Movements in working capital</b>		
	(Increase)/decrease in trade and other receivables	511	(750)
	(Increase)/decrease in inventories	-	-
	Increase/(decrease) in retirement benefit assets/obligations	-	0
	Increase/(decrease) in trade and other payables	(952)	970
	<b>Cash used in operations</b>	<b>(230)</b>	<b>(53)</b>
	Income taxes (paid)/refund	59	48
	<b>Net cash used in operating activities</b>	<b>(171)</b>	<b>(6)</b>
<b>B.</b>	<b>Cash Flow from Investing activities:</b>		
	Payments for property, plant and equipment	-	-
	Interest received	(0)	50
	<b>Net cash flow used in investing activities</b>	<b>(0)</b>	<b>50</b>
<b>C.</b>	<b>Cash flow from financing activities:</b>		
	Proceeds from issue of non-cumulative redeemable preference shares	-	-
	Proceeds from related parties	-	-
	Proceeds/ (repayment) of current borrowings (net)	-	-
	Repayment of non-current borrowings	-	-
	Interest and other borrowing costs paid	-	-
	<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>
	<b>Net increase/(decrease) in cash or cash equivalents</b>	<b>(171)</b>	<b>45</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>174</b>	<b>129</b>
	<b>Cash and cash equivalents as at the end of the period</b>	<b>3</b>	<b>174</b>
	<b>See accompanying notes to the financial statements</b>		



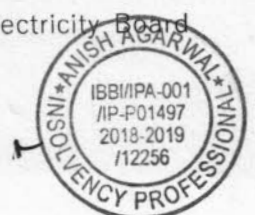
## Notes on Standalone Financial Results

- a) The Board of Directors had referred the Company to the Board for Industrial and Financial Reconstruction (BIFR) as required under the First proviso of section 15 (1) of The Sick Industrial Companies (Special Provisions) Act, 1985 and the Company was registered with BIFR on 23rd March, 2016. Meanwhile, the Ministry of Finance issued Notifications S.O. 3568 (E) & S.O. 3569 (E) dated 25th November, 2016 to the effect that SICA was repealed with effect from 1st December, 2016 and all the references or inquiry pending before the BIFR and/ or AAIFR stood abated. The Board of Directors at their meeting held on 3rd July, 2017 had decided to refer the Company to the Honorable National Company Law Tribunal (NCLT) Kolkata under Section 10 of the Insolvency and Bankruptcy Code, 2016 (IBC) for initiation of Corporate Insolvency Resolution Process (CIRP). Subsequently, on 13th July, 2017, the Company filed relevant application before the Honorable NCLT, Kolkata under Section 10 of the Insolvency and Bankruptcy Code, 2016. The Workers of the Company, in the capacity of operational creditor had also filed an application before the Honorable Tribunal, Kolkata under Section 9 of the Insolvency and Bankruptcy Code (IBC), 2016 seeking commencement of CIRP. Both the appeals were rejected by the Honorable Tribunal. Subsequently, the Company and the workers filed appeal separately before the Honorable National Company Law Appellate Tribunal against the rejection order passed by the Honorable Tribunal. The Appellate Tribunal allowed the appeal filed by the Company and the Workers; however, it directed the Tribunal to admit the appeal filed by the Workers.

The Corporate Insolvency Resolution Process (CIRP) had commenced against the Company vide an order passed by Honorable NCLT, Kolkata dated 5th April 2019. Pursuant to this order, the powers of the Board of Directors stood suspended and was exercised by Mrs. Vinita Agrawal, the Interim Resolution Professional (IRP) appointed by the Honorable NCLT who was consequently confirmed to continue as the Resolution Professional (RP) by the Committee of Creditors (COC).

Consequent to a petition filed by COC, the Honorable NCLT, Kolkata, passed an order on 30th October, 2019 and appointed Mr. Anish Agarwal (IP Registration No.: IBBI/IPA-001/IP-P-01497/2018-2019/12256) as Resolution Professional in place of Mrs. Vinita Agrawal (the erstwhile Resolution Professional)

- b) Consequent to the judgment dated 2nd May, 2013 of Honorable Jharkhand High Court with regard to the applicability of power tariff structure on the Company's Induction Furnace Unit from January, 2000, the Jharkhand State Electricity Board



(JSEB) (the then) / Jharkhand Bijli Vitran Nigam limited (JBVNL)(Now) had raised rectified energy bill dated 10th June, 2013 for Rs. 27,203.00 Lakhs (later claim revised to Rs. 26,361.00 lakhs). The rectified energy bill was challenged separately before the Honorable Jharkhand High Court. The Company had also contested the judgment dated 2nd May, 2013 on the applicability of power tariff structure by way of filing an appeal (Letters Patent Appeal) before the Honorable Jharkhand High Court which was admitted on merit on 3rd July 2013.

JSEB/JBVNL had also initiated certificate proceedings for recovery of Rs. 26,361.00 lakhs against the Company and Board of Directors, which was challenged before the Certificate Officer. The Certificate Officer in his Order dated 12th December, 2015 had absolved the directors from any liability to the extent the Certificate amount was considered. He also directed JSEB/JBVNL to raise revised bills and the Company to pay the same within 15 days of the Order. Consequently, JSEB/JBVNL raised the revised bill dated 24th December 2015 for Rs. 21,804.00 lakhs. The Company had also challenged the Order dated 12th December, 2015 of the Certificate officer before the Division Bench of the Honorable Jharkhand High Court.

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

During the Corporate Insolvency Resolution Process, JSEB/JBVNL had submitted a claim for Rs 44053.35 Lakhs including Delayed Payment Surcharge pursuant to Public Announcement dated 10th April, 2019 issued in terms of Section 15 of the IBC 2016. The claim raised by JSEB/JBVNL has been recalculated by the present Resolution Professional and admitted for Rs. 36630.17Lakhs. The effect of such recalculation and admission of liability, however has not been given effect to in the Financial Statements.

Subsequently vide Ninth meeting of CoC held on 19th December, 2019, CoC approved the publication of FORM G, minimum eligibility criteria for submission of Resolution Plan, Bid Evaluation Matrix, Request for Resolution Plan (RFRP) and accordingly the Resolution Professional published the FORM G on 24th December, 2019 in Financial Express (English Newspaper) All India Edition, Hindustan (Hindi Newspaper) Jharkhand Edition and Aajkal Newspaper (Bengali Newspaper) Kolkata Edition.

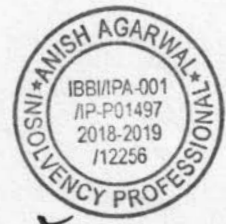


The last date of the submission of the Resolution Plan was 19th February, 2020. However, only one Resolution Applicant namely JSEB / JBVNL (one of the CoC members) had submitted the Resolution Plan within the time period prescribed under Form G.

Accordingly, on 21st February, 2020, the Resolution Professional scheduled the Twelfth Meeting of the CoC for the discussion, approval and voting of the Resolution Plan received from JSEB / JBVNL and the same was approved and declared as passed with 92.45% of voting shares.

Subsequently on 24th February, 2020 the Application for Approval of Resolution Plan under section 30(6) and section 31(1) of the Insolvency and Bankruptcy Code, 2016 read with regulation 39 of IBBI (Insolvency Resolution Process for Corporate Person) Regulation, 2016 was filed by the Resolution Professional with Honorable NCLT Kolkata for its approval which is awaited.

- c) The Board of Directors at their meeting held on 5 September, 2016 had decided to close the operations of the Company. Accordingly, on 6 September, 2016 the Company has filed closure application U/s 25-O of the Industrial Disputes Act, 1947 with the State Government Authorities, which was rejected on 27 October, 2016. The Company has filed a Writ Petition before the Honorable Jharkhand High Court against the rejection order. Currently the Company has withdrawn the petition in view of the amendment made to the Industrial Disputes Act 1947 and also that the rejection order is valid for one year and has lost its force by efflux of time framed by Statute itself.
- d) As on 5th April 2019 (i.e., date of initiation of CIRP), the company had contingent liabilities towards Excise & Service Tax, Sales Tax and Income Tax departments. After the date of commencement of Corporate Insolvency Resolution Process (CIRP), Excise & Service tax and Sales Tax department had filed their claims and on admission of the claim amount they became the members of CoC and the liability cease to be contingent in nature. However, the effects of the same has not been given to in the financial statements for the year ended 31<sup>st</sup> March 2020 and also for the year ended 31<sup>st</sup> March 2021. The table below shows the amount admitted towards the liabilities.



**Amount in Rs. Lakhs**

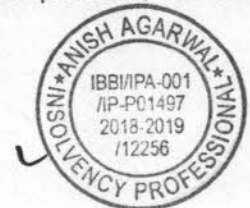
Particulars	Appealed at	Amount	Admitted amount under CIRP after Claim
Excise and Service Tax	Asst. Commissioner & Commissioner Appeals	357.18	281.38
Sales Tax	Jharkhand Commercial Taxes Tribunal & Jt. Commissioner (Appeals)	803.14	760.31
Income Tax	Commissioner (Appeals) & High Court	180.61	-
<b>Total</b>		<b>1,340.93</b>	<b>1,041.69</b>

e) The salient features of the Financial Statements for the year ended 31<sup>st</sup> March 2021 is as under:

(i) **Employee Cost and benefits expense:** The operations of the Company have remained suspended since September 2016 and thereafter CIRP commenced since 5<sup>th</sup> April 2019. An amount of Rs. 2918.36 lakhs towards the claim of employees and workers (who became the members of CoC) have already been admitted by the Resolution Professional. Since the inception of CIRP and because of continued suspension of operations, the services of workmen were not availed. Therefore, no provision of employee cost and benefits have been made for the year ended 31<sup>st</sup> March 2021 and such provisions cannot be included in the CIRP cost as per IBC 2016. Further, the financials have not been prepared on the basis of going concern.

(ii) **Finance Cost:** The Company has an outstanding unsecured borrowing of Rs 6700 lakhs repayable / due to related party @ 7% per annum. However, the CIRP has commenced since 5<sup>th</sup> April 2019 and the amount is due to related party, its priority for payment ranks last as per Waterfall Mechanism in IBC 2016 and is unlikely to be paid in view of the inadequate availability of the assets of the Company. Accordingly, no interest on the borrowing has been shown in the financial statement for the year ended 31<sup>st</sup> March 2021.

(iii) **Prior period adjustment:** During the period for the year ended 31<sup>st</sup> March 2021, the company made prior adjustment of Rs 41.62 lakhs on account of corrections upon reconciliation of depreciation, Sundry creditors for expenses / services and Cenvat clearing incompliance to IND AS 8.



Since the inception of CIRP, the income earned and expenses incurred have been excluded from the Financial Statement as these CIRP expenditures are payable by Resolution Applicant as per Section 30 (2) or in case of liquidation the same will be paid from the liquidation proceeds as per Section 53 of the IBC, 2016. Also the income received, CIRP expenses, contribution from COC are not part of corporate Debtor, as the regular business/operation of the corporate debtor is discontinued since September 2016. Accordingly, the CIRP expenses booked till the nine-month ended on 31<sup>st</sup> December, 2020 have been reversed in the fourth quarter ended on 31<sup>st</sup> March 2021, in the profit and loss statement. The corresponding figures of previous year have also been reversed and have been credited to Retained Earnings as prior period adjustment in the current year ended on 31<sup>st</sup> March 2021. The effect of such exclusion has been presented in the table below:

Amount in Rs. Lakhs

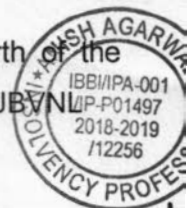
Particulars	2019-20		2020-21	
	Dr	Cr	Dr	Cr
Retained Earnings	-	211.35	-	-
Income	-	-	93.04	-
Expenses	-	-	-	155.17
Asset	-	797.46	30.54	145.35
Liabilities	946.56	-	2.87	1.61

Further, the company received a letter no. 468 dated 23.06.2021 from Employees' Provident Fund Organisation, Jamshedpur wherein it has been informed that the Tata Yodogawa Provident Fund Trust has booked a receivable of Rs. 2535563/- for the year ended 2018-19 and 2019-20 on account of loss of the trust because of the shortfall in the earnings of the trust. As per the byelaws of the Trust, such loss/shortfall has to be paid by the company to Trust. However, as the CIRP has commenced since 5th April 2019 and the corresponding expense and liability of the said amount has not been provided for in the books of the company. The said shortfall amount will be paid by the Resolution Applicant on approval of Resolution Plan by Honorable NCLT, Kolkata.

- (iv) **Financial Performance:** The Company has incurred a loss of Rs. 354.37 lakh during the year ended 31<sup>st</sup> March 2021, (incurred a loss of Rs 793.26 lakh during the year ended 31<sup>st</sup> March 2020) and accumulated losses as on reporting date amounting to Rs. 54289.43 lakh. The net worth of the Company has already been eroded and the Company's current liabilities exceeded its current assets.



- f) The Company is not in operation since September 2016. The net worth of the Company has already been eroded. A resolution plan submitted by JSEB/JBYN





(one of COC members) for restructuring of the company and has been approved by COC and filed with Honorable NCLT Kolkata for its approval. However, unless the same is approved the position of the company will not undergo a drastic favorable change. Considering, these factors the going concern assumption is not appropriate for preparing the IND AS financial statements and these IND AS financial statements have been prepared other than going concern basis.

- g) The resolution to receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2020 and the reports of the Board of Directors / Resolution Professional and the reports of the Auditor thereon were not approved and passed with the requisite majority of the shareholders in the 52<sup>nd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> September 2020 through Video Conferencing ("VC")/ Other Audio-Visual means ("OAVM").
- h) The resolution to appoint Statutory Auditors for the financial year ending 31<sup>st</sup> March 2021 and to fix their remuneration was not passed with the requisite majority of the shareholders in the 52<sup>nd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> September 2020 through Video Conferencing ("VC")/ Other Audio-Visual means ("OAVM"). Since no auditor was appointed or re-appointed in the 52<sup>nd</sup> Annual General Meeting held on 25<sup>th</sup> September 2020 the existing auditor continues to be the Auditor of the Company in terms of section 139(9) and 139(10) of the Companies Act 2013.
- i) COVID 19 has caused and continue to cause significant disruptions to business across India. As the Company is under CIRP, there are no business operations being carried other than activities relating to CIRP. The receivable of the Company are largely from the government authorities in the form of tax advances and input credits, the company does not foresee any significant impact on their carrying amount because of the COVID 19 pandemic.
- k) Figures of the previous periods have been regrouped, wherever necessary.
- l) The above financial results were reviewed and approved by the Resolution Professional.



Place: Ranchi  
Date: 29th June 2021



For TAYO ROLLS LIMITED

(CA Anish Agarwal)  
Resolution Professional

IBBI/IPA-001/IP-P-01497/2018 -2019/12256

**TAYO ROLLS LIMITED**

**Annexure I**

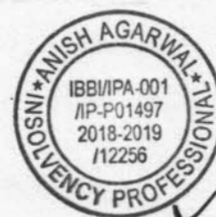
**Statement on Impact of Audit Qualifications for (audit report with modified opinion) submitted along-  
with the Standalone Audited Financial Results**

**Statement on Impact of Audit Qualifications for the Financial Year ended march 31, 2021**

**(See Regulations 33/52 of the SEBI (LDOR) (Amendment) Regulations, 2016) (Standalone)**

I.

Sr. No.	Particulars	Audited figures(Rs in lakhs)	
		(As reported figure before adjusting for qualifications)	After adjusting for qualifications
1.	Turnover/Total Income	-	Refer to Details of Audit Qualification under point II.
2.	Total Expenditure	354.37	
3.	Net Profit/(Loss)	(354.37)	
4.	Earnings Per Share	(3.45)	
5.	Total Assets	5330.79	
6.	Total Liabilities	53052.13	
7.	Net Worth	(47721.34)	
8.	Any other financial item(s) (as felt by the management)	None	



II. Audit Qualification (each audit qualification separately):

<p>a. Details of Audit Qualification</p>	<p>1. We refer to the Note e) (iii) of SEBI Note to Financial Statements; the company has excluded Income earned and expenses incurred since the inception of CIRP as these CIRP expenditures are payable by Resolution Applicant as per Section 30 (2) or in case of liquidation the same will be paid from the liquidation proceeds as per Section 53 of the IBC, 2016. Accordingly, the CIRP expenses and income booked in the previous year have also been reversed and have been credited to Retained Earnings as prior period adjustment in the current year ended on 31st March 2021. The effect of such exclusion for the F.Y. 2019-20 has been presented in the table below:</p> <p style="text-align: center;"><i>Amount in Rs lakh</i></p> <table border="1" data-bbox="663 698 1318 915"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">2019-20</th> </tr> <tr> <th>Dr</th> <th>Cr</th> </tr> </thead> <tbody> <tr> <td>Retained Earnings</td> <td style="text-align: center;">-</td> <td style="text-align: right;">211.35</td> </tr> <tr> <td>Asset</td> <td style="text-align: center;">-</td> <td style="text-align: right;">797.46</td> </tr> <tr> <td>Liabilities</td> <td style="text-align: right;">946.56</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> <p>This is a non-compliance of IND AS 8 which requires prior period adjustments in the year of transaction, in this case, it should have been done in the year F.Y. 2019-20. Accordingly, the Assets of previous year is overstated by the amount mentioned in the table above and Liabilities are also overstated. The same have been corrected in the F.Y. 2020-21.</p> <p>2. As required by Standards on Auditing (SA's) we could not carry out physical verification of inventories or fixed assets. Accordingly, we could not obtain sufficient and appropriate audit evidence for adequacy and reasonableness of management estimates for fair valuation/net realizable value of various assets. These matters can have material and pervasive impact on the financial statement. Consequential impact, if any, of matters described below, on recognition of certain components in financial statement including its presentation/disclosure is currently not ascertainable. Certain such matters pertaining to major elements of financial statements are mentioned below:</p> <p>a. Pending CIRP, the company has not carried out impairment testing of tangible assets in its entirety as at the balance sheet date. Basis the information and explanation provided to us, RP had carried out the physical verification of assets and also got the valuation done once through registered valuer on 4<sup>th</sup> July, 2019. However, no accounting impact was given based on the outcome of the valuation and physical verification pending CIRP.</p> <p>b. Pending CIRP, the company has not carried out physical verification of its assets as at the balance sheet date.</p>	Particulars	2019-20		Dr	Cr	Retained Earnings	-	211.35	Asset	-	797.46	Liabilities	946.56	-
Particulars	2019-20														
	Dr	Cr													
Retained Earnings	-	211.35													
Asset	-	797.46													
Liabilities	946.56	-													



		<p>3. Material uncertainty related to Going Concern</p> <p>We refer to Note f) of SEBI Notes to Financial Statements; the Company is not in operation since September 2016. The net worth of the Company has already been eroded. A resolution plan submitted by JSEB/JBVNL (one of COC members) for restructuring of the company and has been approved by COC and filed with Honorable NCLT Kolkata for its approval. However, unless the same is approved the position of the company will not undergo a drastic favorable change. Considering, these factors the going concern assumption is not appropriate for preparing the IND AS financial statements and the IND AS financial statements have been prepared other than going concern basis, however, no adjustments have been made to the carrying value of assets and liabilities and their presentation and classification in the Balance Sheet pending CIRP.</p>
b.	Type of Audit Qualification: Qualified Opinion/Disclaimer of opinion/ Adverse opinion	Qualified Opinion
c.	Frequency of qualification: Whether appeared first /repetitive/ since how long continuing	F.Y. 2020-21
d.	For Audit qualification(s) where the impact is quantified by the auditor, Management views	With respect to II (a) 1, the RP view is that the income received, CIRP expenses, contribution from COC are not part of corporate Debtor, as the regular business/operation of the corporate debtor is discontinued since September 2016. As the figures of previous year has already been reported at various places, we decided to make the adjustments in the current year and an appropriate disclosure has also been made in the Note e) (iii) of SEBI Note to Financial Statements.
e.	For Audit Qualification(s) where the impacts is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not Determinable
	(ii) If management if unable to estimate the impact, reasons for the same	With respect to II (a) 2, the erstwhile RP had taken efforts and carried out the physical verification of assets and also got the valuation done once through registered valuer on 4 <sup>th</sup> July, 2019. Since the CIRP is ongoing and the matter relating to the approval of Resolution Plan is pending with Honorable NCLT bench, Kolkata, and due to suspension of operations, pending outcome of CIRP and significant uncertainty about future economic outlook of the company, it is not feasible to determine the amount of impairment, if any which would have been required to be done in the net book value

