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August 11, 2016

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

Stock Code: 504961

Website: www.listing.bseindia.com

Dear Sir/Madam,

Please find attached notice of the Postal Ballot dated August 8, 2016 regarding allotment of Redeemable Preference Shares to Tata Steel Limited, the Promoter.

This is for your information and record please.

Yours faithfully,



(Prashant Kumar)
Company Secretary &
Compliance Officer



TAYO ROLLS LIMITED

Regd. Office : Annex-2, General Office, Tata Steel Limited, Jamshedpur-831 001, Jharkhand, INDIA

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

Office Phone : 91-657-2231355/6627101/103/140/141/142, Marketing Phone : 91-657-6627117/127, E-mail : tayoregd@tayo.co.in

Fax : 91-657-6627143/200, website : www.tayo.co.in, Corporate Identity Number : L27105JH1968PLC000818

A TATA Enterprise



Tayo Rolls Limited

Regd. Off : Annex 2, General Office, Tata Steel Limited, Bistupur, Jamshedpur - 831 001
CIN:L27105JH1968PLC000818; Phone No.: 0657- 6627140/141/142
E-mail id:investors_helpdesk@tayo.co.in; Website : www.tayo.co.in

Notice on Postal Ballot

Dear Member,

Notice pursuant to Section 110 of the Companies Act, 2013

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Amendment Rules, 2015, including any statutory modification or re-enactment thereof for the time being in force, that the resolution appended is proposed to be passed as special resolution by way of postal ballot/ remote e-voting. The explanatory statement pertaining to the aforesaid resolution setting out the material facts concerning the item and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") have appointed Mr. P. K. Chakrabarty, Practising Company Secretary, as the Scrutinizer for conducting the postal ballot and remote e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and send the same in original duly completed in the attached self addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. on Friday, September 9, 2016.

Members desiring to opt for remote e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/ Director of the Company. The result of the postal ballot would be announced by the Director or the Company Secretary of the Company on or before Saturday, September 10, 2016 at the registered office of the Company. The aforesaid result along with the Scrutinizers report would be displayed at the website of the Company, NSDL and also intimated to the Stock Exchange where the shares of the Company are listed.

RESOLUTION:

1. Allotment of non-cumulative Redeemable Preference Shares on preferential basis to Tata Steel Limited, the Promoter:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that subject to the provisions of Sections 42, 43, 55,62(1)(c) read with other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment(s) thereof), for the time being in force (the "Companies Act"), the rule and regulations/ guidelines, if any, issued/ prescribed by the Government of India, the Securities and Exchange Board of India("SEBI") and the Reserve Bank of India, the Foreign Exchange Management Act, 1999, including any amendment, modification, variation or re-enactment thereof, and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, consent be and is hereby accorded to the Company to offer and allot 64,00,000 (sixty-four lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees one hundred only) each to the extent of Rs. 64,00,00,000/- (Rupees sixty-four crores only) on preferential basis to Tata Steel Limited, the Promoter of the Company in one or more tranches, with the liberty to the Board or Committee thereof to issue and allot the said shares as and when required.

RESOLVED further that aforesaid Redeemable Preference Shares will be non-cumulative, non-convertible, non-participative and junior to all un-subordinated creditors and redeemable in three equal installments starting from the end of 8th year from the date of issue.

RESOLVED further that these shares will be issued at a dividend rate of 7.17% per annum payable annually and in case of dissolution of the Company, the holder of these shares will have a priority in repayment over the equity shareholders only.

RESOLVED further that other terms and conditions will be decided by the Board of Directors of the Company or a Committee thereof (hereinafter referred to as the "Board" which term shall include a duly authorised Committee thereof for the time being exercising the powers conferred by the Board), as the Board in its absolute discretion, may deem fit and to do all such acts, deeds, matters and things, as it may in its absolute discretion, deem necessary or desirable for such purpose, including to sign all deeds, documents, share certificates, and writings etc. and to pay any fees and expenses relating thereto."

Jamshedpur
August 8, 2016

By the order of the Board of Directors

Prashant Kumar
Company Secretary & Compliance Officer

NOTES

1. Explanatory statements pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed resolution at Item No 1 above, are appended herein below along with the Postal Ballot Form for your consideration.
2. The Notice is being sent to all the members whose names appear in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on Friday, July 29, 2016.
3. In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Amendment Rules, 2015 and the SEBI (LODR) Regulations, 2015, the Company is also offering remote e-voting facility as an option to all the members of the Company. The Company has entered into an agreement with NSDL for facilitating remote e-voting to enable the members to cast their votes electronically instead of dispatching Form. Remote e-voting is optional.

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NOTES contd...

4. As per Section 110, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Form through physical post /courier. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Form may indicate their option to receive the physical Form from the Company. By clicking on the box provided in the e-mail or alternatively download the Form from the link www.evoting.nsdl.com or from the 'Investors' section on the Company's website www.tayo.co.in
5. During FY'12, FY'14 and FY'15, your Company had issued non-cumulative Redeemable Preference Shares to its promoters (Tata Steel Limited & Yodogawa Steel Works Limited). Your Company has not been able to pay dividend on these shares for the financial years FY'13, FY'14, FY'15 and FY'16. Therefore, according to the provision of Section 47 read with other relevant provisions of the Companies Act, 2013 and rules made thereunder, the preference shareholders shall have a right to vote on all the resolutions placed before the meeting, in the same proportion as the paid up capital in respect of equity shares bears to the paid up capital in respect of preference shares. Therefore, one preference share vote is equivalent to 10 equity shares vote. Accordingly, the Preference Shareholders are entitled to vote on the resolution as mentioned above.

Explanatory Statements for Resolution mentioned under Item No 1 pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred as the "Act")

In terms of Sections 42, 43, 55, 62(1) (c) read with other applicable provisions, if any, of the Companies Act, 2013, including applicable rules and amendment thereto, for making allotment of the securities on preferential basis, approval of the members by way of a special resolution is required.

It is proposed to obtain approval of the members under Sections 42, 43, 55, 62 (1) (c) and other applicable provisions, if any, of the Act read with the rules made thereunder (to the extent applicable) to enable the Company to make a private placement of non-cumulative Redeemable Preference Shares of Rs.100/- (Rupees one hundred each) on preferential basis to Tata Steel Limited in one more tranches within the limit as set out in aforesaid resolution.

Tayo Rolls Limited (hereinafter referred as "Tayo"), a Subsidiary of Tata Steel Limited (hereinafter referred as "Tata Steel") was promoted in 1968 by Tata Steel Limited and Yodogawa Steel Works Limited, Japan (hereinafter referred as "Yodogawa"), and Nissho Iwai Corporation (now Sojitz Corporation), Japan.

The Company has been making moderate profits since inception. The Company has been incurring losses since FY'09 due to multiple reasons, such as subdued growth in the infrastructure segment (especially the steel sector), over-capacity situation in the Foundry and Forging industry, onset of the Global Economic Crisis resulting in delayed commissioning and ramp-up of the Forged Roll Project, and challenges related to technology absorption for next generation rolls. Severe cash constraints among customers resulted in strain on the Company's working capital requirement, leading to low capacity utilization and interrupted production, having significant impact on the operating efficiency.

Despite the challenging conditions, the Company has made all out efforts to improve the business performance by working on operating efficiency, cost, and quality.

The low returns coupled with impact of high unabsorbed depreciation and interest costs, resulted in erosion of the net worth of the Company. The Company has been referred to the BIFR. The financial statements of the Company have also been prepared on a realizable value basis. The assets have been stated at the lower of their historic cost and estimated net realizable value, and the liabilities have been stated at the values at which they are expected to be discharged.

The Company has introduced employees Voluntary Separation Scheme and a phase wise suspension of operations. The Company is making all efforts to meet the obligation of stakeholders, with the support from the Promoter.

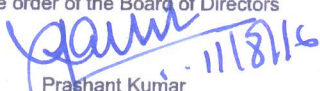
The shares to be issued to the Promoter will be junior to all un-subordinated creditors and redeemable in three equal installments starting from the end of 8th year from the date of issue. These shares are proposed to issue at a dividend rate of 7.17% per annum payable annually for the purpose of meeting the expenses related to discharging the obligations towards the stakeholders. The aforesaid shares will also be non-convertible and non-participative in nature. Since the Redeemable Preference Shares are non-convertible, equity shares will not dilute.

According to the provisions of Section 188 of the Companies Act, 2013 read with Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities falling under the definition of "Related Party" under Section 2(76) of the Companies Act, 2013, irrespective of the fact whether the entity is a related party to the transaction or not, shall abstain from voting on Resolution mentioned at Item No. 1 of the Notice.

The proposed resolution is in the interest of the Company and your Directors commend above resolution for your approval. None of the Directors and the Key Managerial Personnel of the Company including their relatives are concerned or interested in aforesaid resolution.

Jamshedpur
August 8, 2016



By the order of the Board of Directors

Prashant Kumar
Company Secretary & Compliance Officer