



## VISA Steel Limited

(CIN : L51109OR1996PLC004601)

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cs@visasteel.com

12 August 2019

BSE Limited 25 Floor P J Towers Dalal Street, Mumbai 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra – Kurla Complex, Bandra (E) Mumbai 400 051
<b>BSE Scrip Code: 532721</b>	<b>NSE SYMBOL: VISASTEEL</b>

Sub: Outcome of Board Meeting - Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Please be informed that the Board of Directors of the Company, at its Meeting held on Monday, 12 August 2019 has *inter-alia*:

1. Approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30 June 2019, in the specified format along with the Limited Review Report of Statutory Auditor's, pursuant to the provisions of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Copy of Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30 June 2019, in the specified format along with the Limited Review Report of Statutory Auditor's is enclosed.

2. Approved the re-appointment of Mr. Pratip Chaudhuri (DIN: 00915201) as an Independent Director, not liable to retire by rotation, for a second term of 5 (Five) years with effect from 1 October 2019, subject to applicable approvals. His brief profile is as follows:

Mr. Pratip Chaudhuri is the former Chairman of State Bank of India (SBI) and has 45 years of rich experience in banking sector. He holds Master's Degree in Science and Statistics from University of Rajasthan and is an alumnus of University Business School, Chandigarh. He has also served as the Chairman of SBI Global Factors Ltd, State Bank of Mysore, State Bank of Bikaner & Jaipur, State Bank of Travancore and State Bank of Hyderabad. He was also a Director at Export-Import Bank of India and State Bank of Patiala.

Mr. Chaudhuri is neither related to the Promoters or any other Directors of the Company nor is debarred from holding the office by virtue of any SEBI Order or any other authority.

3. Approved the proposal for Shifting of Registered Office of the Company from the Bhubaneswar, Odisha to the Kolkata, West Bengal, subject to requisite approvals.



4. Approved transfer of Shares held in Kalinganagar Chrome Private Limited, subsidiary of the Company to Kalinganagar Special Steel Private Limited, subject to necessary approvals.
5. Approved Issuance of new Shares by Kalinganagar Special Steel Private Limited, subsidiary of the Company, subject to necessary approvals.
6. Approved the continuation of remuneration payable to Mr. Vishambhar Saran, Whole time Directors designated as the Chairman, subject to necessary approvals.
7. Noted that an application filed by State Bank of India under Section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process in VISA International Limited, a Corporate Guarantor and Shareholder of the Company, has been admitted vide NCLT Order dated 7 August 2019.
8. Approved the Postal Ballot Notice for seeking approval of the shareholders of the Company for item no. 2-6, as stated above.

The Meeting commenced at 1230 Hours and concluded at 1720 Hours.

This is for your information.

Thanking You,

For VISA Steel Limited

  
Sudhir Kumar Banthiya  
Company Secretary &  
Compliance Officer  
F8460



**Limited Review Report on Unaudited Quarterly Standalone Financial Results of VISA Steel Limited for the three months ended June 30, 2019 pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.**

To,  
The Board of Directors,  
VISA Steel Limited  
VISA HOUSE  
8/10 Alipore Road  
Kolkata – 700 027

1. We have reviewed the accompanying unaudited quarterly standalone financial results of **M/s. VISA Steel Limited** for the quarter ended June 30, 2019 together with notes thereon (herein after referred to as 'the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular') and has been initialed by us for identification purpose.

**Management's Responsibility for the standalone financial results**

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors in their meeting held on August 12, 2019 has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

**Auditor's Responsibility**

3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to enquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis of Qualified Conclusion**

4. We draw attention to Note 4 of the accompanying statement with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on June 30, 2019 is Rs.123,004.34 lakh (including Rs.38,409.60 lakh for FY-2016-17, Rs.38,745.50 lakh for FY-2017-18, Rs.36,672.68 lakh for FY-2018-19 and Rs. 9,176.56 lakh for quarter ended June 30, 2019) which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.

*Had the aforesaid interest expense been recognized, finance cost for the quarter ended June 30, 2019 would have been Rs.9,748.19 lakh instead of the reported amount of Rs.571.63 lakh. Total expenses for the quarter ended June 30, 2019 would have been Rs. 34,986.07 lakh instead of the reported amount of Rs. 25,809.51 lakh. Net loss after tax for the quarter ended June 30, 2019 would have been Rs.13,709.10 lakh instead of the reported amount of Rs.4,532.54 lakh. Total Comprehensive Income for the quarter ended June 30, 2019 would have been Rs.(13,712.05) lakh instead of the reported amount of Rs.(4,535.49) lakh. Loss per share for the quarter ended June 30, 2019 would have been Rs.11.84 instead of the reported amount of Rs.3.91.*

*The above reported interest has been calculated using Simple Interest rate.*





**Qualified Conclusion**

5. Based on our review conducted as above, except for the matter described in the Basis of Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulation, as amended, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other Matters**

6. We draw your attention to the following matters:

a) Material Uncertainty Relating to Going Concern

Note 3 to the statement regarding the preparation of the statement on going concern basis, for the reason stated therein. The Company has accumulated losses and has also incurred losses during the quarter ended June 30, 2019. As on date, the Company's current liabilities are substantially higher than its current assets and the Company's net worth has also been fully eroded.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern, and evaluation of recoverable value of its noncurrent assets is critically dependent upon the resolution of the debt of the Company, the Company's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future.

b) Scheme of Demerger

Note 5 to the statement regarding sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated July 8, 2019, the Company's Special Steel business undertaking stands transferred to and vested in VISA Special Steel Limited with appointed date of April 01, 2013 and is effective from July 13, 2019 upon filing the certified copy of the Order with Registrar of Companies, Cuttack. The effect of Scheme of Arrangement shall be given in the quarter ended September 30, 2019 and thereafter.

Our conclusion is not qualified in respect of above matters.

For Singhi & Co.  
Chartered Accountants  
Firm Registration No.302049E



  
(Navindra Kumar Surana)  
Partner

Membership No. 53816

UDIN: 19053816AAAABV8485

Place: Kolkata

Dated: August 12, 2019

# VISA STEEL

## VISA STEEL LIMITED

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Registered Office : 11 Ekamra Kanan, Nayapalli, Bhubaneswar 751 015, Odisha

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Email ID for registering Investor Grievances: cs@visasteel.com

### Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2019

(Rs in Lakhs Except EPS)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		30 June	31 March	30 June	31 March
		2019	2019	2018	2019
		Unaudited	Audited	Unaudited	Audited
I	Revenue From operations	20,868.23	30,312.94	40,384.31	141,675.91
II	Other Income	408.74	154.01	519.49	1,592.59
III	<b>Total Income (I +II)</b>	<b>21,276.97</b>	<b>30,466.95</b>	<b>40,903.80</b>	<b>143,268.50</b>
IV	<b>Expenses</b>				
	Cost of materials consumed	14,286.69	20,882.71	28,213.86	103,266.91
	Purchases of Stock-in-Trade	6.85	0.12	0.01	143.54
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	505.40	2,226.04	(158.28)	2,191.31
	Employee benefit expense	1,392.32	1,834.24	1,797.49	6,745.19
	Finance costs	571.63	478.79	519.08	1,866.35
	Depreciation and amortization expense	3,402.47	3,286.57	3,327.90	13,339.48
	Other expenses	5,644.15	5,724.03	9,989.48	31,882.38
	<b>Total expenses (IV)</b>	<b>25,809.51</b>	<b>34,432.50</b>	<b>43,689.54</b>	<b>159,435.16</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>(4,532.54)</b>	<b>(3,965.55)</b>	<b>(2,785.74)</b>	<b>(16,166.66)</b>
VI	Exceptional items	-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>	<b>(4,532.54)</b>	<b>(3,965.55)</b>	<b>(2,785.74)</b>	<b>(16,166.66)</b>
VIII	Tax Expenses	-	-	-	-
IX	<b>Profit /(Loss) for the period (VII-VIII)</b>	<b>(4,532.54)</b>	<b>(3,965.55)</b>	<b>(2,785.74)</b>	<b>(16,166.66)</b>
X	Other comprehensive income				
	A (i) Items that will not be reclassified to profit or loss	(2.95)	(26.44)	4.88	(11.80)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	B (i) Items that will be reclassified to Profit or Loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>(4,535.49)</b>	<b>(3,991.99)</b>	<b>(2,780.86)</b>	<b>(16,178.46)</b>
XII	Paid up equity Share Capital (face value of Rs.10/- each)	11,578.95	11,578.95	11,578.95	11,578.95
XIII	Other Equity				(107,092.97)
XIV	<b>Earnings per equity share (of Rs.10/- each)</b>				
	1) Basic	(3.91)	(3.42)	(2.41)	(13.96)
	2) Diluted	(3.91)	(3.42)	(2.41)	(13.96)



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Email ID for registering Investor Grievances: cs@visasteel.com

Standalone Segment Wise Revenue, Results, Assets and Liabilities.

For the Quarter Ended 30 June 2019 (Refer Note 2 below)

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended			Year ended
		30 June	31 March	30 June	31 March
		2019	2019	2018	2019
		Unaudited	Audited	Unaudited	Audited
1)	<b>Segment Revenue</b>				
	a) Special Steel	8,373.09	13,446.66	16,931.14	61,947.47
	b) Ferro Alloys	12,783.01	17,262.38	23,994.98	81,532.50
	<b>Total</b>	<b>21,156.10</b>	<b>30,709.04</b>	<b>40,926.12</b>	<b>143,479.97</b>
	Less: Inter-Segment Revenue	287.87	396.10	541.81	1,804.06
	<b>Net Sales / Income From Operations</b>	<b>20,868.23</b>	<b>30,312.94</b>	<b>40,384.31</b>	<b>141,675.91</b>
2)	<b>Segment Results</b>				
	Profit / (Loss) before tax and interest from Each segment				
	a) Special Steel	(1,943.96)	(1,134.18)	(1,399.06)	(7,725.29)
	b) Ferro Alloys	(1,774.71)	(1,224.93)	(759.25)	(4,752.92)
	<b>Total</b>	<b>(3,718.67)</b>	<b>(2,359.11)</b>	<b>(2,158.31)</b>	<b>(12,478.21)</b>
	Less: i) Finance costs	571.63	478.79	519.08	1,866.35
	ii) Other Un-allocable Expenditure (Net off Un-allocable Income)	242.24	1,127.65	108.35	1,822.10
	<b>Total Profit / (Loss) Before Tax</b>	<b>(4,532.54)</b>	<b>(3,965.55)</b>	<b>(2,785.74)</b>	<b>(16,166.66)</b>
3)	<b>Segment Assets</b>				
	a) Special Steel	178,490.11	185,874.78	196,503.20	185,874.78
	b) Ferro Alloys	95,253.18	98,557.77	104,278.94	98,557.77
	c) Unallocated	46,414.60	45,554.73	49,030.32	45,554.73
	<b>Total Assets</b>	<b>320,157.89</b>	<b>329,987.28</b>	<b>349,812.46</b>	<b>329,987.28</b>
4)	<b>Segment Liabilities</b>				
	a) Special Steel	4,414.62	4,822.47	9,044.93	4,822.47
	b) Ferro Alloys	4,881.95	6,844.99	3,872.94	6,844.99
	c) Unallocated	410,910.83	413,833.84	419,011.02	413,833.84
	<b>Total Liabilities</b>	<b>420,207.40</b>	<b>425,501.30</b>	<b>431,928.89</b>	<b>425,501.30</b>





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## Notes :

- 1 The above financial results of the Company were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on 12 August 2019. The Statutory auditors have conducted the limited review of the above Standalone unaudited financial results.
- 2 The Company has identified reportable business segments namely "Special Steel" and "Ferro Alloys" and has disclosed segment information accordingly.
- 3 The Company has incurred net loss during the quarter ended 30 June 2019 which has adversely impacted the net worth of the Company. The Company's financial performance has been adversely affected due to non-availability of working capital for operations, and other external factors beyond the Company's control including high prices of raw materials during e-auction in comparison to the product prices. It is expected that the overall financial health of the Company would improve after debt resolution and improvement in availability of working capital. Accordingly, the Company has prepared the financial results on the basis of going concern assumption. The statutory auditors have also drawn attention to the above matter without qualifying their observation in their Review Report.

The application filed by State Bank of India at National Company Law Tribunal for initiation of Corporate Insolvency Resolution Process under Insolvency & Bankruptcy Code has been dismissed vide NCLT's Order dated 25 June 2019.

- 4 The majority of lenders have stopped charging interest on debts, since the dues from the Company have been categorised as Non-Performing Asset. The amount of interest expenses not provided for is estimated at Rs. 9,176.56 Lakhs for the quarter ended 30 June 2019 and the accumulated interest not provided as on 30 June 2019 is estimated at Rs. 1,23,004.34 Lakhs. The statutory auditors have qualified their Review Report in respect of this matter.
- 5 Pursuant to sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated 8 July 2019, the Company's Special Steel business undertaking stands transferred to and vested in VISA Special Steel Limited with appointed date of 1 April 2013 and is effective from 13 July 2019 upon filing the certified copy of the Order with Registrar of Companies, Cuttack. The effect of the Scheme of Arrangement shall be given in the quarter ended 30 September 2019 and thereafter.
- 6 Effective from 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method along with the transition option to recognize Right-of-Use asset (ROU) at an amount equal to the lease liability at Rs.1,350.46 lakhs. However, comparatives for the quarters ended 30 June 2018 and 31 March 2019 and year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profitability for the period and earnings per share.
- 7 The figures for the quarter ended 31 March 2019 are balancing figures between the audited figures in respect of financial year ended 31 March 2019 and the unaudited published figures up to nine months ended 31 December 2018.
- 8 Previous periods figures have been regrouped / rearranged wherever necessary.

Date: 12 August 2019

Place: Kolkata



For VISA Steel Limited  
  
Vishal Agarwal  
Vice Chairman & Managing Director  
DIN 00121539

**Limited Review Report on Unaudited Quarterly Consolidated Financial Results of VISA Steel Limited for the three months ended June 30, 2019 pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.**

To,  
The Board of Directors,  
VISA Steel Limited  
VISA HOUSE  
8/10 Alipore Road,  
Kolkata –700 027

1. We have reviewed the accompanying unaudited quarterly consolidated financial results of M/s. VISA Steel Limited (hereinafter referred to as the "Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), and its joint venture (refer Paragraph 6 for the list of subsidiaries and joint ventures included in the statement) for the quarter ended June 30, 2019 together with notes thereon (herein after referred to as 'the Statement'), attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular') and has been initialed by us for identification purpose. Attention is drawn to Note 9 to the Statement which states that the consolidated figures for the corresponding quarter ended June 30, 2018 and immediately preceding quarter ended March 31, 2019, as reported in the accompanying Statement have been approved by the Parent Company's Board of Directors, but have not been subjected to review.

**Management's Responsibility for the consolidated financial results**

2. This Statement, which is the responsibility of the Parent Company's Management and has been approved by the Parent Company's Board of Directors in their meeting held on August 12, 2019 has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

**Auditor's Responsibility**

3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," specified under section 143 (10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to enquiries of Parent Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Regulations, as amended, to the extent applicable.

**Basis of Qualified Conclusion**

4. We draw attention to Note 5 of the accompanying statement with regard to non-recognition of interest expense on the borrowings of the Parent Company. The accumulated interest not provided as on June 30, 2019 is Rs.123,004.34 lakh (including Rs.38,409.60 lakh for FY 2016-17, Rs.38,745.50 lakh for FY 2017-18, Rs.36,672.68 lakh for FY 2018-19 and Rs. 9,176.56 lakh for quarter ended June 30, 2019) which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.





*Had the aforesaid interest expense been recognized, finance cost for the quarter ended June 30, 2019 would have been Rs.9,748.19 lakh instead of the reported amount of Rs.571.63 lakh. Total expenses for the quarter ended June 30, 2019 would have been Rs. 34,986.12 lakh instead of the reported amount of Rs. 25,809.55lakh. Net loss after tax for the quarter ended June 30, 2019 would have been Rs.13,709.22lakh instead of the reported amount of Rs.4,532.66lakh. Total Comprehensive Income for the quarter ended June 30, 2019 would have been Rs(13,712.17) lakh instead of the reported amount of Rs.(4,535.61) lakh. Loss per share for the quarter ended June 30, 2019 would have been Rs.11.84instead of the reported amount of Rs.3.91.*

*The above reported interest has been calculated using Simple Interest rate.*

**Qualified Conclusion**

5. Based on our review conducted as above, except for the matter described in the Basis of Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation, as amended, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other Matter**

6. The statement includes the results of the following entities:

Subsidiary Companies

- a) Kalinganagar Special Steel Private Limited (KSSPL)
- b) Kalinganagar Chrome Private Limited (KCPL)
- c) VISA Ferro Chrome Limited (VFCL), a wholly owned subsidiary of KSSPL
- d) VISA Special Steel Limited (VSSL) , a wholly owned subsidiary of VFCL

Joint Ventures

VISA Urban Infra Limited

7. We draw your attention to the following matters:

- a) Material Uncertainty Relating to Going Concern

Note 4 to the statement regarding the preparation of the statement on going concern basis, for the reason stated therein. The Parent Company has accumulated losses and has also incurred losses during the quarter ended June 30, 2019. As on date, the Parent Company's current liabilities are substantially higher than its current assets and the Parent Company's net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as going concern. The appropriateness of assumption of going concern, and evaluation of recoverable value of its noncurrent assets is critically dependent upon the debt resolution of the Parent Company which is under process, the Parent Company's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future.

Based on the standalone financial statements of the Parent Company (after consolidation adjustments) total revenue of Rs.20,868.23 Lakh (100%), net loss of Rs. (4532.65) Lakh (100%) for the quarter ended June 30, 2019, have been considered in the consolidated financial statements of the Group and its joint venture. Consequently, this indicates the existence of a material uncertainty that may cast significant doubt about the Group and its joint venture's ability to continue as a going concern.



b) Scheme of Demerger

Note 6 to the statement regarding sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated 8 July 2019, the Parent Company's Special Steel business undertaking stands transferred to and vested in VISA Special Steel Limited with appointed date of April 01, 2013 and is effective from July 13, 2019 upon filing the certified copy of the Order with Registrar of Companies, Cuttack. The effect of Scheme of Arrangement shall be given in the quarter ended September 30, 2019 and thereafter.

Our conclusion is not qualified in respect of above matters.

8. We did not review the financial information / financial results of two subsidiaries whose consolidated financial information / financial results, which have not been reviewed by their auditors, reflect total revenue of Rs. Nil and total comprehensive income of Rs.(0.08) Lakh (comprising loss and other comprehensive income) as considered in the statement for the quarter ended June 30, 2019. The statement also includes the Group's share of net loss of Rs. 0.08 Lakh for the for the quarter ended June 30, 2019, in respect of one joint venture, which have not been reviewed by their auditors, and whose financial information / financial result have not been reviewed by us. These Financial Statements have been certified by the management of the respective company and provided to us by the Parent Company's Management. According to the information and explanation given to us by the Parent Company's Management, these financial information / financial results are not material to the Group. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the above subsidiary and joint venture, is based solely on the financial information / financial results certified by the management and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not qualified in respect of above matters.



For Singhi & Co.  
Chartered Accountants  
Firm Registration No.302049E

*Navindra Kumar Surana*

(Navindra Kumar Surana)  
Partner

Membership No. 53816

UDIN: 19053816AAAA BW 4896

Place: Kolkata

Dated: August 12, 2019

# VISA STEEL

## VISA STEEL LIMITED

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### Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2019

(Rs in Lakhs Except EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30 June	31 March	30 June	31 March
		2019	2019	2018	2019
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue From operations	20,868.23	30,312.94	40,384.31	141,675.91
II	Other Income	408.74	159.02	519.49	1,597.60
III	<b>Total Income (I +II)</b>	<b>21,276.97</b>	<b>30,471.96</b>	<b>40,903.80</b>	<b>143,273.51</b>
IV	<b>Expenses</b>				
	Cost of materials consumed	14,286.69	20,882.71	28,213.86	103,266.91
	Purchases of Stock-in-Trade	6.85	0.12	0.01	143.54
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	505.40	2,226.04	(158.28)	2,191.31
	Employee benefit expense	1,392.32	1,834.24	1,797.49	6,745.19
	Finance costs	571.63	478.79	519.08	1,866.35
	Depreciation and amortization expense	3,402.51	3,286.59	3,327.93	13,339.58
	Other expenses	5,644.15	5,724.34	9,989.44	31,882.78
	<b>Total expenses (IV)</b>	<b>25,809.55</b>	<b>34,432.83</b>	<b>43,689.53</b>	<b>159,435.66</b>
V	<b>Profit/(Loss) before exceptional items and share of net profit of investment accounted using equity method of tax (III-IV)</b>	<b>(4,532.58)</b>	<b>(3,960.87)</b>	<b>(2,785.73)</b>	<b>(16,162.15)</b>
VI	Share of net profit of investments accounted using Equity method and tax	(0.08)	(1.16)	(0.42)	(1.17)
VII	<b>Profit/(Loss) before exceptional items and tax (V+VI)</b>	<b>(4,532.66)</b>	<b>(3,962.03)</b>	<b>(2,786.15)</b>	<b>(16,163.32)</b>
VIII	Exceptional Items	-	-	-	-
IX	<b>Profit /(Loss) before tax (VII-VIII)</b>	<b>(4,532.66)</b>	<b>(3,962.03)</b>	<b>(2,786.15)</b>	<b>(16,163.32)</b>
X	Tax Expense	-	-	-	-
XI	<b>Net Profit/(Loss) for the period (IX-X)</b>	<b>(4,532.66)</b>	<b>(3,962.03)</b>	<b>(2,786.15)</b>	<b>(16,163.32)</b>
XII	Other comprehensive income, net of Income Tax				
	A. Items that will not be reclassified to profit or loss	(2.95)	(26.44)	4.88	(11.80)
	B. Items that will be reclassified to Profit or Loss	-	-	-	-
XIII	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>(4,535.61)</b>	<b>(3,988.47)</b>	<b>(2,781.27)</b>	<b>(16,175.12)</b>
XIV	<b>Total Profit/(loss) attributable to</b>				
	Owners of the Company	(4,532.66)	(3,962.03)	(2,786.15)	(16,163.32)
	Non Controlling Interest	-	-	-	-
XV	<b>Other comprehensive income attributable to</b>				
	Owners of the Company	(2.95)	(26.44)	4.88	(11.80)
	Non Controlling Interest	-	-	-	-
XVI	<b>Total Comprehensive Income/(Loss) attributable to</b>				
	Owners of the Company	(4,535.61)	(3,988.47)	(2,781.27)	(16,175.12)
	Non Controlling Interest	-	-	-	-
XVII	Paid-up equity share capital (face value of Rs.10/- each)	11,578.95	11,578.95	11,578.95	11,578.95
XVIII	Other Equity				(107,103.99)
XIX	<b>Earnings per equity share (of Rs.10/- each)</b>				
	1) Basic	(3.91)	(3.42)	(2.41)	(13.96)
	2) Diluted	(3.91)	(3.42)	(2.41)	(13.96)



*[Handwritten Signature]*



# VISA STEEL

## VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

Registered Office : 11 Ekamra Kanan, Nayapalli, Bhubaneswar 751 015, Odisha

Phone: (+91-674) 255 2479, Fax: (+91-674) 255 4661

Corporate Office: VISA House, 8/10 Alipore Road, Kolkata 700 027

Phone: (+91-33) 3011 9000, Fax: (+91-33) 3011 9002

Website: [www.visasteel.com](http://www.visasteel.com)

Email ID for registering Investor Grievances: [cs@visasteel.com](mailto:cs@visasteel.com)

### Consolidated Segment Wise Revenue, Results, Assets and Liabilities.

For the Quarter Ended 30 June 2019 (Refer Note 2 below)

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended			Year ended
		30 June	31 March	30 June	31 March
		2019	2019	2018	2019
		Unaudited	Unaudited	Unaudited	Audited
1)	<b>Segment Revenue</b>				
	a) Special Steel	8,373.09	13,446.66	16,931.14	61,947.47
	b) Ferro Alloys	12,783.01	17,262.38	23,994.98	81,532.50
	<b>Total</b>	<b>21,156.10</b>	<b>30,709.04</b>	<b>40,926.12</b>	<b>143,479.97</b>
	Less: Inter-Segment Revenue	287.87	396.10	541.81	1,804.06
	<b>Net Sales / Income From Operations</b>	<b>20,868.23</b>	<b>30,312.94</b>	<b>40,384.31</b>	<b>141,675.91</b>
2)	<b>Segment Results</b>				
	Profit / (Loss) before tax and interest from Each segment				
	a) Special Steel	(1,943.96)	(1,134.18)	(1,399.06)	(7,725.29)
	b) Ferro Alloys	(1,774.71)	(1,224.93)	(759.25)	(4,752.92)
	<b>Total</b>	<b>(3,718.67)</b>	<b>(2,359.11)</b>	<b>(2,158.31)</b>	<b>(12,478.21)</b>
	Less: i) Finance costs	571.63	478.79	519.08	1,866.35
	ii) Other Un-allocable Expenditure (Net off Un-allocable Income)	242.36	1,124.13	108.76	1,818.76
	<b>Total Profit / (Loss) Before Tax</b>	<b>(4,532.66)</b>	<b>(3,962.03)</b>	<b>(2,786.15)</b>	<b>(16,163.32)</b>
3)	<b>Segment Assets</b>				
	a) Special Steel	178,490.11	185,874.78	196,503.20	185,874.78
	b) Ferro Alloys	95,253.18	98,557.77	104,278.94	98,557.77
	c) Unallocated	46,403.66	45,543.93	49,033.52	45,543.93
	<b>Total Assets</b>	<b>320,146.95</b>	<b>329,976.48</b>	<b>349,815.66</b>	<b>329,976.48</b>
4)	<b>Segment Liabilities</b>				
	a) Special Steel	4,414.62	4,822.47	9,044.93	4,822.47
	b) Ferro Alloys	4,881.95	6,844.99	3,872.94	6,844.99
	c) Unallocated	410,911.11	413,834.06	419,019.57	413,834.06
	<b>Total Liabilities</b>	<b>420,207.68</b>	<b>425,501.52</b>	<b>431,937.44</b>	<b>425,501.52</b>



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## Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12 August 2019. The statutory auditors have conducted the limited review of the above Consolidated unaudited financial results.
- 2 As on 30 June 2019, VISA Steel Group comprises the Parent Company i.e. VISA Steel Limited, its four subsidiaries (including two step down subsidiaries) and one Joint Venture Company.
- 3 VISA Steel Group has identified business segments namely "Special Steel" and "Ferro Alloys" and has disclosed segment information accordingly.
- 4 The parent Company has incurred net loss during the quarter ended 30 June 2019 which has adversely impacted the net worth of the parent Company. The parent Company's financial performance has been adversely affected due to non-availability of working capital for operations, and other external factors beyond the parent Company's control including high prices of raw materials during e-auction in comparison to the product prices. It is expected that the overall financial health of the Parent Company would improve after debt resolution and improvement in availability of working capital. Accordingly, the Group has prepared the financial results on the basis of going concern assumption. The statutory auditors have also drawn attention to the above matter without qualifying their observation in their Review Report.  
The application filed by State Bank of India at National Company Law Tribunal for initiation of Corporate Insolvency Resolution Process under Insolvency & Bankruptcy Code has been dismissed vide NCLT's Order dated 25 June 2019.
- 5 The majority of lenders of Parent Company have stopped charging interest on debts, since the dues from the Parent Company have been categorised as Non-Performing Asset. The amount of interest expenses not provided for the year ended 30 June 2019 is estimated at Rs. 9,176.56 Lakhs and the accumulated interest not provided as on 30 June 2019 is estimated at Rs. 1,23,004.34 Lakhs. The statutory auditors have qualified their Review Report in respect of this matter.
- 6 Pursuant to sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated 8 July 2019, the Parent Company's Special Steel business undertaking stands transferred to and vested in VISA Special Steel Limited with appointed date of 1 April 2013 and is effective from 13 July 2019 upon filing the certified copy of the Order with Registrar of Companies, Cuttack. The effect of the Scheme of Arrangement shall be given in the quarter ended 30 September 2019 and thereafter.
- 7 Effective from 1 April 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method along with the transition option to recognize Right-of-Use asset (ROU) at an amount equal to the lease liability at Rs.1,350.46 lakhs. However, comparatives for the quarters ended 30 June 2018 and 31 March 2019 and year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profitability for the period and earnings per share.
- 8 The figures for the quarter ended 31 March 2019 are balancing figures between the audited figures in respect of financial year ended 31 March 2019 and the unaudited published figures up to nine months ended 31 December 2018.
- 9 During the earlier years, the Group had published Consolidated financial results only at the time of publication of annual results. The Group has now published consolidated financial results for the quarter ended on 30 June 2018 and 31 March 2019 which were approved by the Board of Directors of the company and have not been subjected to review by the Statutory Auditor.
- 10 Previous periods figures have been regrouped / rearranged wherever necessary.



Date: 12 August 2019

Place: Kolkata



By Order of the Board  
For VISA Steel Limited

Vishal Agarwal

Vice Chairman & Managing Director

DIN 00121539