

12 November 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 Tuesday, 12 November 2019 has *inter-alia*:

1. Approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended 30 September 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 and half year ended 30 September 2019, in the specified format along with the Limited Review Report of Statutory Auditor's is enclosed.

The Meeting commenced at 1230 Hours and concluded at 1810 Hours.

This is for your information.

Thanking You,

For VISA Steel Limited

  
Sudhir Kumar Banthiya  
Company Secretary &  
Compliance Officer  
F8460

**Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Standalone Financial Results of VISA Steel Limited pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended.**

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of **M/s. VISA Steel Limited** ('the Company') for the quarter ended September 30, 2019 and year to date from April 01 to September 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. Attention is drawn to the fact that the comparative standalone cash flow statement for the half year ended September 30, 2018, included in the unaudited standalone statement of cash flow is approved by the Board of Directors of the Company, but has not been subjected to our review.

**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 November 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 5 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 September 30, 2019 is Rs.52,117.70 lakh (including Rs.14,596.89 lakh for FY-2016-17, Rs.15,522.85 lakh for FY-2017-18, Rs.14,654.64 lakh for FY-2018-19, Rs.3,690.05 lakh and Rs.7,343.32 lakh for the quarter and half-year ended September 30, 2019 respectively) 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 and half-year ended September 30, 2019 would have been Rs.4,118.16 lakh and Rs.8,118.96 lakh instead of the reported amount of Rs.428.11 lakh and Rs.775.64 lakh respectively. Total expenses for the quarter and half-year ended September 30, 2019 would have been Rs.14,421.69 lakh and Rs.33,213.76 lakh instead of the reported amount of Rs.10,731.64 lakh and Rs.25,870.44 lakh respectively. Net loss after tax for the quarter and half-year ended September 30, 2019 would have been Rs.6,204.20 lakh and Rs.11,986.78 lakh instead of the reported amount of Rs.2,514.15 lakh and Rs.4,643.46 lakh respectively. Total Comprehensive Income for the quarter and half-year ended September 30, 2019 would have been Rs.(6,207.10) lakh and Rs.(11,992.68) lakh instead of the reported amount of Rs.(2,517.05) lakh and Rs.(4,649.36) lakh, Other Equity would have been Rs.(56,280.84) lakh against reported Rs.(4,163.14), Other Current Financial Liability would have been Rs.1,52,217.99 lakh instead of reported amount of Rs.1,00,100.29 lakhs, Loss per share for the quarter and half-year ended September 30, 2019 would have been Rs.5.36 and Rs.10.35 instead of the reported amount of Rs.2.17 and Rs.4.01 respectively.*

*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.

### **6. 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 Company has accumulated losses and has also incurred losses during the quarter and half-year ended September 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 after considering unprovided interest. Further the State Bank of India (financial creditor) has filed an application at National Company Law Tribunal for initiation of Corporate Insolvency Resolution Process under Insolvency & Bankruptcy Code and the matter is sub-judice. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. However, the assets and liabilities are still being carried at their book value and no impairment of its non-current assets has been done. The appropriateness of assumption of going concern, and evaluation of recoverable value of its non-current assets is critically dependent upon the debt resolution of the Company which is under process, the Company's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future.

b) **Refer Note 1 to the Statement regarding accounting for transfer of Special Steel Undertaking**, pursuant to the Scheme of Arrangement ("the scheme") approved by the National Company Law Tribunal vide its order dated July 8, 2019, all the assets and liabilities of the Special Steel Undertaking of Visa Steel Limited ("transferor Company" or "the Company") has been transferred to and vested in the Visa Special Steel Limited, ("transferee Company") at their respective book values on a going concern basis from April 1, 2013 being the appointed date. Effective date of the scheme is July 13, 2019 being the date on which certified copy of the order sanctioning the said scheme is filed with Registrar of Companies, Cuttack.



# Singhi & Co.

Chartered Accountants

.....contd.

To give the impact of the scheme the Standalone Financial Statement of the Company for the year ended March 31, 2019 were revised and the same were approved by the Board of Directors in their meeting held on October 18, 2019 and audited by us on which we have issued our audit report dated October 18, 2019. Consequently the financial results / financial information for the quarter ended June 30, 2019 and quarter and half year ended September 2018 as set out in the Statement has been prepared by the management of the Company after giving the impact of transfer of the Special Steel Undertaking of the Company to Visa Special Steel Limited and have been reviewed by us.

Our conclusion is not qualified in respect of above matters.



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

(Pradeep Kumar Singhi)  
Partner

Membership No. 50773  
UDIN: 19050773AAAAAI4051

Place: Kolkata

Dated: November 12, 2019

# VISA STEEL

VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

## Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2019

(Rs in Lakhs Except EPS)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		2019	2019	2018	2019	2018	2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From operations	7,145.85	12,602.79	21,079.53	19,748.64	45,074.51	81,532.50
II	Other Income	1,071.64	406.70	469.91	1,478.34	959.01	1,531.91
III	<b>Total Income (I +II)</b>	<b>8,217.49</b>	<b>13,009.49</b>	<b>21,549.44</b>	<b>21,226.98</b>	<b>46,033.52</b>	<b>83,064.41</b>
IV	<b>Expenses</b>						
	Cost of materials consumed	3,915.05	7,824.69	12,286.20	11,739.74	26,919.20	50,475.48
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	530.53	108.93	517.24	639.46	411.95	1,642.84
	Excise Duty	-	-	-	-	-	-
	Employee benefit expense	724.72	757.92	764.50	1,482.64	1,567.10	3,476.53
	Finance costs	428.11	347.53	470.76	775.64	812.91	1,312.25
	Depreciation and amortization expense	1,234.66	1,147.04	1,044.93	2,381.70	2,284.94	4,554.12
	Other expenses	3,898.57	4,952.69	6,932.10	8,851.26	15,629.48	28,219.45
	<b>Total expenses (IV)</b>	<b>10,731.64</b>	<b>15,138.80</b>	<b>22,015.73</b>	<b>25,870.44</b>	<b>47,625.58</b>	<b>89,680.67</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>(2,514.15)</b>	<b>(2,129.31)</b>	<b>(466.29)</b>	<b>(4,643.46)</b>	<b>(1,592.06)</b>	<b>(6,616.26)</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>	<b>(2,514.15)</b>	<b>(2,129.31)</b>	<b>(466.29)</b>	<b>(4,643.46)</b>	<b>(1,592.06)</b>	<b>(6,616.26)</b>
VIII	Tax Expenses	-	-	-	-	-	-
IX	<b>Profit /(Loss) for the period (VII-VIII)</b>	<b>(2,514.15)</b>	<b>(2,129.31)</b>	<b>(466.29)</b>	<b>(4,643.46)</b>	<b>(1,592.06)</b>	<b>(6,616.26)</b>
X	Other comprehensive income, Net of Income Tax						
	A (i) Items that will not be reclassified to profit or loss	(2.90)	(3.00)	4.86	(5.90)	9.76	(11.80)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B (i) Items that be reclassified to Profit and 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>(2,517.05)</b>	<b>(2,132.31)</b>	<b>(461.43)</b>	<b>(4,649.36)</b>	<b>(1,582.30)</b>	<b>(6,628.06)</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	11,578.95	11,578.95
XIII	Other Equity	-	-	-	-	-	486.22
XIV	<b>Earnings per equity share (of Rs.10/- each)</b>						
	1) Basic	(2.17)	(1.84)	(0.40)	(4.01)	(1.37)	(5.71)
	2) Diluted	(2.17)	(1.84)	(0.40)	(4.01)	(1.37)	(5.71)



*Handwritten signature*

# VISA STEEL

## VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

### Statement of Standalone Assets and Liabilities

Particulars	(Rs in Lakhs)	
	As at	As at
	30 September	31 March
	2019	2019
	Unaudited	Audited
<b>ASSETS</b>		
<b>1) Non-current Assets</b>		
(a) Property, Plant and Equipment	109,793.36	109,085.83
(b) Capital work-in-progress	29,691.20	29,713.60
(c) Intangible Assets	14.55	16.46
(d) Right of use assets	563.72	-
(e) Financial Assets		
(i) Investments	429.34	429.34
(ii) Loans	644.84	770.54
(iii) Other Financial Assets	-	-
(f) Deferred Tax Assets (Net)	-	-
(g) Other Non current Assets	39.80	27.89
	<b>141,176.81</b>	<b>140,043.66</b>
<b>2) Current Assets</b>		
(a) Inventories	1,959.51	6,344.37
(b) Financial Assets		
(i) Trade receivables	-	1,755.41
(ii) Cash and cash equivalents	587.73	84.95
(iii) Bank balances [Other than (ii) above]	291.62	365.77
(iv) Loans	617.62	247.37
(v) Others Financial Assets	28.33	44.18
(c) Current Tax Assets (Net)	813.78	1,144.91
(d) Other current Assets	38,857.47	38,115.35
	<b>43,156.06</b>	<b>48,102.31</b>
<b>Total Assets</b>	<b>184,332.87</b>	<b>188,145.97</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	11,578.95	11,578.95
(b) Other Equity	(4,163.14)	486.22
	<b>7,415.81</b>	<b>12,065.17</b>
<b>LIABILITIES</b>		
<b>1) Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	37,198.96	43,324.49
(ii) Lease Liabilities	348.19	-
(b) Provisions	403.61	261.47
	<b>37,950.76</b>	<b>43,585.96</b>
<b>2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	27,643.32	29,444.73
(ii) Trade Payables		
-- total outstanding dues of micro and small enterprise	13.78	0.02
-- total outstanding dues of creditors other than micro and small enterprise	5,376.67	6,971.41
(iii) Lease Liabilities	229.76	-
(iiii) Other financial liabilities	100,100.29	90,746.55
(b) Other current liabilities	5,443.14	5,218.51
(c) Provisions	159.34	113.62
<b>Current Liabilities</b>	<b>138,966.30</b>	<b>132,494.84</b>
<b>Total Equity and Liabilities</b>	<b>184,332.87</b>	<b>188,145.97</b>



*llll*

# VISA STEEL

VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

## Unaudited Standalone Statement of cash flows for the half year ended 30 September 2019

Particulars	(Rs in Lakhs)	
	Half year ended 30 September 2019	Half year ended 30 September 2018
<b>Cash flow from operating activities</b>		
Profit before income tax for the period	(4,643.46)	(1,592.06)
<b>Adjustments to reconcile profit before tax for the period to net cash flows:</b>		
Depreciation, amortisation and impairment charges	2,381.70	2,284.94
Finance costs	775.64	812.91
Interest Income	(109.62)	(104.41)
Income from Shared Services	(1,352.16)	(831.40)
Liabilities no longer required written back	(5.39)	(314.05)
Allowance for doubtful debts, advances etc. no longer required written back	(12.23)	(137.29)
(Gain)/Loss on sale of Property, Plant and Equipment	(4.67)	2.10
Unrealised Forex Loss / (Gain) [Net]	0.31	3.48
<b>Working Capital adjustments:</b>		
Decrease in trade receivables	1,025.63	(835.72)
Increase in trade payables	(379.71)	2,353.23
(Increase)/decrease in inventory	4,384.76	237.01
(Increase)/decrease in other non current	(228.75)	1,687.44
Increase/(decrease) in other current liabilities	187.95	46.12
<b>Cash flow from operation</b>	<b>2,020.00</b>	<b>3,612.30</b>
Income tax paid/Refund	331.14	(24.80)
<b>Net cash flow from operating activities</b>	<b>2,351.14</b>	<b>3,587.50</b>
<b>Cash flows from investing activities</b>		
Payment for acquisition of property, plant and equipment and intangible assets	191.94	24.35
Proceeds from investments	1,426.31	986.30
Interest received	109.62	104.41
<b>Net cash flow from investing activities</b>	<b>1,727.87</b>	<b>1,115.06</b>
<b>Cash flow from financing activities</b>		
Payments of long-term borrowings	(1,774.80)	(1,955.79)
Payments of short-term borrowings	(1,801.43)	(3,703.02)
Dividends paid to the owners of the parent	-	(2.00)
<b>Net cash flow from financing activities</b>	<b>(3,576.23)</b>	<b>(5,660.81)</b>
<b>Total net increase(+) / decrease(-) in cash and cash equivalents</b>	<b>502.78</b>	<b>(958.25)</b>
Cash and cash equivalent at the beginning at the beginning of the period	84.95	1,664.50
Cash and cash equivalent at the end of the period	587.73	706.25





# 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)

## Notes :

- 1 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 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. Accordingly, the financial results for all the previous periods have been revised to give effect of the Scheme of Arrangement.
- 2 The above financial results of the Company were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 12 November 2019. The Statutory Auditors have conducted the limited review of the above Standalone unaudited financial results. However, the Standalone Cash Flow Statement for the half year ended 30 September 2018 is approved by the Board of Directors but has not been subjected to review by the Statutory Auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning 1 April 2019.
- 3 The Company is in the business of manufacturing of Ferro Alloys and hence has only one reportable operating segment as per Ind AS 108 "Operating Segments".
- 4 The Company has incurred net loss during the quarter and half year ended 30 September 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.
- 5 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. 3,690.05 Lakhs for the quarter ended 30 September 2019 and the accumulated interest not provided as on 30 September 2019 is estimated at Rs. 52,117.70 Lakhs. The statutory auditors have qualified their Review Report in respect of this matter.
- 6 The Taxation laws (Amendment) Ordinance 2019 was promulgated on 20 September 2019. The Ordinance amends the Income Tax Act 1961 and the Finance Act 2019. The Ordinance provides domestic companies with an option to opt for lower tax rates, subject to certain provisions. The company is in the process of evaluating the option to opt for lower tax rate and has considered the rate existing prior to the Ordinance for the purpose of these results.
- 7 Effective from 1 April 2019, the Company 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. 941.97 lakhs. However, comparatives for the quarter and half year ended 30 September 2018 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 Previous periods figures have been regrouped / rearranged wherever necessary.

Date: 12 November 2019

Place: Kolkata



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



**Independent Auditor's Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of VISA Steel Limited pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, as amended.**

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

1. We have reviewed the accompanying unaudited 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 September 30, 2019 and year to date from April 01 to September 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 the fact that the comparative figures for the quarter and half year ended September 30, 2018 included in these Unaudited Consolidated Statement of Financial Results for the quarter and half year ended September 30, 2019 and the comparative figures for the cash flows for the half year ended September 30, 2018, included in the Unaudited Consolidated Statement of Cash Flows for the half year ended September 30, 2019 have been reviewed by the Audit Committee of the Parent Company and approved by the Parent Company's Board of Directors at their respective meetings held on November 12, 2019, but have not been subjected to our 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 November 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 6 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 September 30, 2019 is Rs.1,32,264.08 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, Rs.9,259.74 lakh and Rs.18,436.30 lakh for the quarter and half year ended September 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 and half year ended September 30, 2019 would have been Rs.9,733.54 lakh and Rs.19,481.72 lakh instead of the reported amount of Rs.473.80 lakh and Rs.1045.43 lakh. Total expenses for the quarter and half year ended September 30, 2019 would have been Rs.27,787.40 lakh and Rs.62,773.51 lakh instead of the reported amount of Rs.18,527.66 lakh and Rs.44,337.21 lakh respectively. Net loss after tax for the quarter and half year ended September 30, 2019 would have been Rs.14,721.18 lakh and Rs.28,430.39 lakh instead of the reported amount of Rs.5,461.44 lakh and Rs.9,994.09 lakh respectively. Total Comprehensive Income for the quarter and half year ended September 30, 2019 would have been Rs.(14,724.13) lakh and Rs.(28,436.29) lakh instead of the reported amount of Rs.(5,464.39) lakh and Rs.(9,999.99) lakh respectively, Other Equity would have been Rs.(2,49,368.05) lakh against reported Rs.(1,17,103.98), Other Current Financial Liability would have been Rs.3,75,312.52 lakh instead of reported amount of Rs.2,43,048.44 lakhs, Loss per share for the quarter and half year ended September 30, 2019 would have been Rs.12.71 and Rs.24.55 instead of the reported amount of Rs.4.72 and Rs.8.63 respectively.

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.
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 attention to the following matters:

#### a) Material Uncertainty Relating to Going Concern

Note 5 to the statement regarding the preparation of the statement on going concern basis, for the reason stated therein. The Parent Company and its subsidiaries (the Group) has accumulated losses and has also incurred losses during the quarter and half year ended September 30, 2019. As on date, the Group's current liabilities are substantially higher than its current assets and the Group's net worth has also been fully eroded. Further the State Bank of India (financial creditor) has filed an application at National Company Law Tribunal for initiation of Corporate Insolvency Resolution Process under Insolvency & Bankruptcy Code and the matter is sub-judice. These conditions indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as going concern. However, the assets and liabilities are still being carried at their book value and no impairment of its non-current assets has been done. The appropriateness of assumption of going concern, and evaluation of recoverable value of its non-current assets is critically dependent upon the debt resolution of the Group which is under process, the Group's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future.



b) **Note 1 to the Statement regarding accounting for transfer of Special Steel Undertaking**, pursuant to the Scheme of Arrangement ("the scheme") approved by the National Company Law Tribunal vide its order dated July 8, 2019, all the assets and liabilities of the Special Steel Undertaking of Visa Steel Limited ("the transferor Company" or "the Company") has been transferred to and vested in the Visa Special Steel Limited, ("wholly owned step down subsidiary" or "the transferee Company") at their respective book values on a going concern basis from April 1, 2013 being the appointed date. Effective date of the scheme is July 13, 2019 being the date on which certified copy of the order sanctioning the said scheme is filed with Registrar of Companies, Cuttack. To give the impact of the scheme the Consolidated Financial Statement of the Company for the year ended March 31, 2019 were revised and the same were approved by the Board of Directors in their meeting held on October 18, 2019 and audited by us on which we have issued our audit report dated October 18, 2019. Consequently the consolidated financial results / financial information for the quarter and half year ended September 2018 as set out in the Statement has been prepared by the management of the Company after giving the impact of transfer of the Special Steel Undertaking of the Company to Visa Special Steel Limited and have not been subjected to review by us.

Our conclusion is not qualified in respect of above matters.

8. We did not review the financial information / financial results of two subsidiaries whose financial information / financial results, which have not been reviewed by their auditors, reflect total assets of Rs.8.81 lakh and net assets of Rs.(1.66) lakh as at September 30, 2019, total revenue of Rs. Nil and total comprehensive income of Rs.(1.64) Lakh and Rs.(1.66) lakh (comprising loss and other comprehensive income) as considered in the statement for the quarter and half year ended September 30, 2019 respectively and net cash outflow of Rs.0.89 lakh for the period April 01 2019 to September 30, 2019. The statement also includes the Group's share of net loss of Rs. 0.17 Lakh for the period April 01 2019 to September 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.



Place: Kolkata

Dated: November 12, 2019

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

**(Pradeep Kumar Singhi)**

Partner

Membership No. 50773

UDIN: 19050773AAAAAJ3711

# VISA STEEL

VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2019

(Rs in Lakhs Except EPS)

Sr. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		2019	2019	2018	2019	2018	2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From operations	12,847.07	20,868.23	33,919.99	33,715.30	74,304.30	141,675.91
II	Other Income	219.25	408.74	475.36	627.99	994.85	1,597.60
III	<b>Total Income (I +II)</b>	<b>13,066.32</b>	<b>21,276.97</b>	<b>34,395.35</b>	<b>34,343.29</b>	<b>75,299.15</b>	<b>143,273.51</b>
IV	<b>Expenses</b>						
	Cost of materials consumed	8,613.41	14,286.69	24,063.65	22,900.10	52,277.51	103,266.91
	Purchases of Stock-in-Trade	84.25	6.85	10.22	91.10	10.23	143.54
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	568.50	505.40	969.82	1,073.90	811.54	2,191.31
	Excise Duty	-	-	-	-	-	-
	Employee benefit expense	1,297.08	1,392.32	1,601.16	2,689.40	3,398.65	6,745.19
	Finance costs	473.80	571.63	410.44	1,045.43	929.52	1,866.35
	Depreciation and amortization expense	3,374.59	3,402.51	3,364.82	6,777.10	6,692.75	13,339.58
	Other expenses	4,116.03	5,644.15	8,022.44	9,760.18	18,011.88	31,882.78
	<b>Total expenses (IV)</b>	<b>18,527.66</b>	<b>25,809.55</b>	<b>38,442.55</b>	<b>44,337.21</b>	<b>82,132.08</b>	<b>159,435.66</b>
V	<b>Profit/(Loss) before exceptional items and share of net profit of investment accounted using equity method and tax (III-IV)</b>	<b>(5,461.34)</b>	<b>(4,532.58)</b>	<b>(4,047.20)</b>	<b>(9,993.92)</b>	<b>(6,832.93)</b>	<b>(16,162.15)</b>
VI	Share of net profit of Investments accounted using Equity Method	(0.10)	(0.08)	(0.21)	(0.17)	(0.64)	(1.17)
VII	<b>Profit/(Loss) before exceptional items and tax</b>	<b>(5,461.44)</b>	<b>(4,532.66)</b>	<b>(4,047.41)</b>	<b>(9,994.09)</b>	<b>(6,833.57)</b>	<b>(16,163.32)</b>
VIII	Exceptional items	-	-	-	-	-	-
IX	<b>Profit/(Loss) before tax (V-VI)</b>	<b>(5,461.44)</b>	<b>(4,532.66)</b>	<b>(4,047.41)</b>	<b>(9,994.09)</b>	<b>(6,833.57)</b>	<b>(16,163.32)</b>
X	Tax Expenses	-	-	-	-	-	-
XI	<b>Profit/(Loss) for the period (VII-VIII)</b>	<b>(5,461.44)</b>	<b>(4,532.66)</b>	<b>(4,047.41)</b>	<b>(9,994.09)</b>	<b>(6,833.57)</b>	<b>(16,163.32)</b>
XII	Other comprehensive income, Net of Income Tax						
	A (i) Items that will not be reclassified to profit or loss	(2.95)	(2.95)	4.88	(5.90)	9.76	(11.80)
	B (i) Items that be reclassified to Profit and Loss	-	-	-	-	-	-
XIII	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>(5,464.39)</b>	<b>(4,535.61)</b>	<b>(4,042.53)</b>	<b>(9,999.99)</b>	<b>(6,823.81)</b>	<b>(16,175.12)</b>
XIV	<b>Total Profit/(Loss) for the year attributable to</b>						
	Owner of the company	(5,461.44)	(4,532.66)	(4,047.41)	(9,994.09)	(6,833.57)	(16,163.32)
	Non Controlling Interest	-	-	-	-	-	-
XV	<b>Other comprehensive income attributable to</b>						
	Owner of the company	(2.95)	(2.95)	4.88	(5.90)	9.76	(11.80)
	Non Controlling Interest	-	-	-	-	-	-
XVI	<b>Total Comprehensive Income/(Loss) attributable to</b>						
	Owner of the company	(5,464.39)	(4,535.61)	(4,042.53)	(9,999.99)	(6,823.81)	(16,175.12)
	Non Controlling Interest	-	-	-	-	-	-
XIV	Paid up equity Share Capital (face value of Rs.10/- each)	11,578.95	11,578.95	11,578.95	11,578.95	11,578.95	11,578.95
XIII	Other Equity	-	-	-	-	-	(107,103.99)
XIV	<b>Earnings per equity share (of Rs.10/- each)</b>						
	1) Basic	(4.72)	(3.91)	(3.50)	(8.63)	(5.90)	(13.96)
	2) Diluted	(4.72)	(3.91)	(3.50)	(8.63)	(5.90)	(13.96)



# VISA STEEL

## VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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 September 2019 (Refer Note 4 below)

(Rs. in Lakhs)

Sl. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1)	<b>Segment Revenue</b>						
	a) Special Steel	5,885.41	8,373.09	13,237.40	14,258.50	30,168.53	61,947.47
	b) Ferro Alloys	7,146.01	12,602.79	21,079.53	19,748.80	45,074.51	81,532.50
	<b>Total</b>	<b>13,031.42</b>	<b>20,975.88</b>	<b>34,316.93</b>	<b>34,007.30</b>	<b>75,243.04</b>	<b>143,479.97</b>
	Less: Inter-Segment Revenue	184.35	107.65	396.94	292.00	938.74	1,804.06
	<b>Net Sales / Income From Operations</b>	<b>12,847.07</b>	<b>20,868.23</b>	<b>33,919.99</b>	<b>33,715.30</b>	<b>74,304.30</b>	<b>141,675.91</b>
2)	<b>Segment Results</b>						
	Profit / (Loss) before tax and interest from Each segment						
	a) Special Steel	(2,900.62)	(2,106.55)	(3,575.87)	(5,007.16)	(4,983.22)	(8,797.69)
	b) Ferro Alloys	(2,087.02)	(1,854.48)	(61.10)	(3,941.50)	(920.83)	(5,499.28)
	<b>Total</b>	<b>(4,987.64)</b>	<b>(3,961.03)</b>	<b>(3,636.97)</b>	<b>(8,948.66)</b>	<b>(5,904.05)</b>	<b>(14,296.97)</b>
	Less: i) Finance costs	473.80	571.63	410.44	1,045.43	929.52	1,866.35
	<b>Total Profit / (Loss) Before Tax</b>	<b>(5,461.44)</b>	<b>(4,532.66)</b>	<b>(4,047.41)</b>	<b>(9,994.09)</b>	<b>(6,833.57)</b>	<b>(16,163.32)</b>
3)	<b>Segment Assets</b>						
	a) Special Steel	171,351.11	173,294.55	184,724.45	171,351.11	184,724.45	179,339.20
	b) Ferro Alloys	143,977.88	146,852.40	154,996.19	143,977.88	154,996.19	150,637.28
	<b>Total Assets</b>	<b>315,328.99</b>	<b>320,146.95</b>	<b>339,720.64</b>	<b>315,328.99</b>	<b>339,720.64</b>	<b>329,976.48</b>
4)	<b>Segment Liabilities</b>						
	a) Special Steel	9,625.12	8,665.71	9,587.92	9,625.12	9,587.92	11,579.89
	b) Ferro Alloys	14,767.23	17,285.33	17,926.88	14,767.23	17,926.88	19,205.75
	c) Unallocated	396,461.67	394,256.64	398,374.49	396,461.67	398,374.49	394,715.88
	<b>Total Liabilities</b>	<b>420,854.02</b>	<b>420,207.68</b>	<b>425,889.29</b>	<b>420,854.02</b>	<b>425,889.29</b>	<b>425,501.52</b>



# VISA STEEL

## VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

### Statement of Consolidated Assets and Liabilities

Particulars	(Rs. In Lakhs)	
	As at	As at
	30 September	31 March
	2019	2019
	Unaudited	Audited
<b>ASSETS</b>		
<b>1) Non-current Assets</b>		
(a) Property, Plant and Equipment	273,710.34	280,399.50
(b) Capital work-in-progress	29,691.20	29,713.59
(c) Intangible Assets	15.45	17.40
(d) Right of use assets	902.18	-
(e) Financial Assets		
(i) Investments	418.07	418.20
(ii) Loans	651.44	777.14
(iii) Other Financial Assets	-	-
(f) Deferred Tax Assets (Net)	-	-
(g) Other Non current Assets	45.60	45.60
	<b>305,434.28</b>	<b>311,371.43</b>
<b>2) Current Assets</b>		
(a) Inventories	4,370.11	10,207.95
(b) Financial Assets		
(i) Trade receivables	447.85	3,322.13
(ii) Cash and cash equivalents	589.90	87.99
(iii) Bank balances [Other than (ii) above]	291.62	365.77
(iv) Loans	841.02	247.37
(v) Others Financial Assets	28.18	44.18
(c) Current Tax Assets (Net)	887.38	1,250.07
(d) Other current Assets	2,438.65	3,079.59
	<b>9,894.71</b>	<b>18,605.05</b>
<b>Total Assets</b>	<b>315,328.99</b>	<b>329,976.48</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	11,578.95	11,578.95
(b) Other Equity	(117,103.98)	(107,103.99)
(c) Non-controlling interest	-	-
	<b>(105,525.03)</b>	<b>(95,525.04)</b>
<b>LIABILITIES</b>		
<b>1) Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	82,108.26	103,028.05
(ii) Lease Liabilities	562.15	-
(b) Provisions	403.60	403.61
	<b>83,074.01</b>	<b>103,431.66</b>
<b>2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	76,225.90	78,619.45
(ii) Trade Payables		
-- total outstanding dues of micro and small enterprise	53.10	156.88
-- total outstanding dues of creditors other than micro and small enterprise	9,885.10	11,179.81
(ii) Lease Liabilities	362.81	-
(iii) Other financial liabilities	243,048.44	222,446.28
(b) Other current liabilities	7,979.13	9,492.02
(c) Provisions	225.53	175.42
<b>Current Liabilities</b>	<b>337,780.01</b>	<b>322,069.86</b>
<b>Total Equity and Liabilities</b>	<b>315,328.99</b>	<b>329,976.48</b>





# VISA STEEL

## VISA STEEL LIMITED

CIN: L51109OR1996PLC004601

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

Phone: (+91-674) 2552 479, Fax: (+91-674) 2554 661

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

Phone: (+91-33) 30119 000, Fax: (+91-33) 30119 002

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

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

### Unaudited Consolidated Statement of cash flows for the half year ended 30 September 2019

(Rs. In Lakhs)

Particulars	Half year ended 30 September 2019	Half year ended 30 September 2018
<b>Cash Flow from Operating Activities</b>		
Profit / (Loss) before tax for the period	(9,994.09)	(6,833.57)
<b>Adjustments for :</b>		
Depreciation, amortisation and impairment charges	6,777.10	6,692.75
Finance Costs	1,045.43	929.52
Interest Income	(111.73)	(140.30)
Income from Shared Services	(499.66)	(831.40)
Liabilities no longer required written back	(34.80)	(326.50)
Allowance for doubtful debts, advances etc. no longer required written back	(73.40)	(150.10)
(Gain)/Loss on sale of Property, Plant and Equipment	(4.70)	2.10
Unrealised Forex Loss / (Gain) [Net]	0.60	7.05
<b>Working Capital adjustments:</b>		
Decrease in trade receivables	3,588.66	5,905.23
Increase in trade payables	(1,428.69)	(749.37)
(Increase)/decrease in inventory	5,837.74	1,107.10
(Increase)/decrease in other current	(452.04)	762.20
Increase/(decrease) in other current liabilities	50.13	66.10
<b>Cash flow from operation</b>	<b>4,700.55</b>	<b>6,440.81</b>
Income tax paid/Refund	362.72	(26.30)
<b>Net cash flow from operating activities</b>	<b>5,063.27</b>	<b>6,414.51</b>
<b>Cash flows from investing activities</b>		
Payment for acquisition of property, plant and equipment and intangible assets	(148.38)	(48.02)
Proceeds from investments	573.84	850.48
Interest received	111.73	140.30
<b>Net cash flow from investing activities</b>	<b>537.19</b>	<b>942.76</b>
<b>Cash flow from financing activities</b>		
Payments of long-term borrowings	(2,704.97)	(2,995.10)
Payments of short-term borrowings	(2,393.61)	(5,319.09)
Dividends paid to the owners of the parent	-	(2.00)
<b>Net cash flow from financing activities</b>	<b>(5,098.58)</b>	<b>(8,316.19)</b>
Total net increase(+) / decrease(-) in cash and cash equivalents	501.88	(958.92)
Cash and cash equivalent at the beginning at the beginning of the period	88.02	1,668.17
Cash and cash equivalent at the end of the period	589.90	709.25





# 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)

### Notes:

- 1 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 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. Accordingly, the financial results for all the previous periods have been revised to give effect of the Scheme of Arrangement.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12 November 2019. The statutory auditors have conducted the limited review of the above Consolidated unaudited financial result. The comparative figures for the quarter and half year ended 30 September 2018 included in these Unaudited Consolidated Statement of Financial Results for the quarter and half year ended 30 September 2019 and the comparative figures for cash flows for the half year ended 30 September 2018 in the Unaudited Consolidated Statement of Cash flows have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12 November 2019 but have not been subjected to review by the Statutory Auditors as the mandatory requirement for limited review of cash flows and consolidated results has been made applicable for periods beginning 1 April 2019, pursuant to Regulation 33(8) of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 3 As on 30 September 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.
- 4 VISA Steel group has identified business segments namely "Ferro Alloys" and "Special Steel" and has disclosed segment information accordingly.
- 5 VISA Steel group has incurred net loss during the quarter ended 30 September 2019 which has adversely impacted the net worth of the group. The group's financial performance has been adversely affected due to non-availability of working capital for operations, and other external factors beyond the group'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 group 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.
- 6 The majority of lenders of the Parent Company and VISA Special Steel Limited have stopped charging interest on debts, since the dues from the group have been categorised as Non-Performing Asset. The amount of interest expenses not provided for the quarter ended 30 September 2019 is estimated at Rs. 9,259.74 Lakhs and the accumulated interest not provided as on 30 September 2019 is estimated at Rs. 132,264.08 Lakhs. The statutory auditors have qualified their Review Report in respect of this matter.
- 7 The Taxation laws (Amendment) Ordinance 2019 was promulgated on 20 September 2019. The Ordinance amends the Income Tax Act 1961 and the Finance Act 2019. The Ordinance provides domestic companies with an option to opt for lower tax rates, subject to certain provisions. The group is in the process of evaluating the option to opt for lower tax rate and has considered the rate existing prior to the Ordinance for the purpose of these results.
- 8 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 quarter and half year ended 30 September 2018 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.
- 9 Previous periods figures have been regrouped / rearranged wherever necessary.

Date: 12 November 2019

Place: Kolkata



By Order of the Board  
For VISA Steel Limited

Vishal Agarwal  
Vice Chairman & Managing Director  
DIN 00121539