

Report on Corporate Governance



CORPORATE GOVERNANCE: OUR PHILOSOPHY

Corporate governance is the system by which companies are directed, controlled and managed. In effect, it is concerned with systems, processes, controls, accountabilities and decision-making at the heart of and at the highest level of an organisation. It is about the way in which management executes its responsibilities and authority and how they account for that authority in relation to those that have entrusted them with assets and resources.

At VISA Steel Limited (the Company), the Corporate Governance objective is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business for meeting its obligation towards shareholders and other stakeholders. Accordingly, the Corporate Governance process is carried out by the Board of

Directors, and its committees, on behalf of and for the benefit of the Company's stakeholders, to provide direction, authority and oversight to management. Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have been institutionalised.

COMPLIANCE WITH THE SEBI CODE ON CORPORATE GOVERNANCE

In line with this, we are pleased to inform you that, as on 31 March 2010, the Company is in compliance with all the requirements of Clause 49 of the Listing Agreement. The necessary disclosures as required under Clause 49 of the Listing Agreement have been covered in this Annual Report.

I. BOARD OF DIRECTORS

Composition of the Board

Board / Committee Position as on 31 March 2010

Name of the Director	Executive / Non-Executive / Independent ¹	No. of Outside Directorship(s) held			Outside Committee positions held ²	
		Public	Private	Foreign	Chairman	Member
Mr. Vishambhar Saran	Executive Chairman	7	-	5	-	-
Mr. Maya Shanker Verma	Non-Executive, Independent	5	2	-	4	1
Mr. Arvind Pande	Non-Executive, Independent	5	-	-	1	2
Mr. Shiv Dayal Kapoor	Non-Executive, Independent	5	1	-	1	2
Mr. Debi Prasad Bagchi	Non-Executive, Independent	6	-	-	2	3
Mr. Pradip Kumar Khaitan	Non-Executive, Independent	13	-	1	-	6
Mr. Shanti Narain	Non-Executive, Independent	2	-	-	-	1
Mrs. Saroj Agarwal	Non-Executive	6	-	1	-	-
Mr. Vikas Agarwal	Non-Executive	6	2	7	-	1
Mr. Vivek Agarwal	Non-Executive	7	-	7	-	3
Mr. Vishal Agarwal	Managing Director	8	-	1	2	2
Mr. Basudeo Prasad Modi	Deputy Managing Director	3	1	-	-	-

- 1 Independent director is as defined in Clause 49 of the Listing Agreement.
- 2 For this purpose, only two Committees, viz., the Audit Committee and the Shareholders' / Investors' Grievance Committee have been considered. This excludes Committee positions in private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

Details of the Board Meeting and Attendance

Date of the Board Meeting	City	No. of Directors Present
19 May 2009	Kolkata	10
24 June 2009	Kolkata	8
22 July 2009	New Delhi	10
30 October 2009	New Delhi	7
18 December 2009	Kolkata	9
22 January 2010	Kolkata	9

Details of remuneration paid to the Board of Directors

A. Non-Executive Directors

Name of the Director	Sitting Fees paid ¹	Commission Payable ²	Total payments paid / payable in 2009-10	No. of Board Meetings		Attended Last AGM ³
				Held	Attended	
	(Rs.)	(Rs.)	(Rs.)			
Mr. Maya Shanker Verma	230,000	769,231	999,231	6	5	No
Mr. Arvind Pande	130,000	410,256	540,256	6	3	No
Mr. Shiv Dayal Kapoor	250,000	769,231	1,019,231	6	6	Yes
Mr. Debi Prasad Bagchi	190,000	538,462	728,462	6	6	No
Mr. Pradip Kumar Khaitan	80,000	205,128	285,128	6	3	No
Mr. Shanti Narain	120,000	307,692	427,692	6	4	No
Mrs. Saroj Agarwal	100,000	-	100,000	6	5	Yes
Mr. Vikas Agarwal	140,000	-	140,000	6	4	Yes
Mr. Vivek Agarwal	-	-	-	6	-	No
Total	1,240,000	3,000,000	4,240,000			

Note:

- 1 During 2009-10, sitting fees were paid @ Rs. 20,000 per Board Meeting and Rs.10,000 per Committee Meeting, i.e. Audit, Share Transfer & Investor Grievance, Finance & Banking, Remuneration and Selection Committees.
- 2 Commission is paid out of profits of the Company for the relevant financial year, not exceeding 1% of the net profits, to the Independent Directors of the Company. Commission is calculated based on the weightage given to the attendance at the Board and Committee meetings.
- 3 Annual General Meeting was held on 26 August 2009.

B. Executive Directors

Name of the Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration paid during 2009-10			
			All elements of remuneration package, i.e. salary, benefits, bonuses, etc. (Rs.)	Fixed component & performance linked incentives, along with performance criteria	Service contracts, notice period, severance fee	Stock option details, if any
Mr. Vishambhar Saran	See Note (a)	Chairman	17,460,158	See note (b)	See note (c)	See note (d)
Mr. Vishal Agarwal	See Note (a)	Managing Director	16,866,197	See note (b)	See note (c)	See note (d)
Mr. Basudeo Prasad Modi	See Note (a)	Deputy Managing Director	4,887,693	See note (b)	See note (c)	See note (d)

- (a) Mr. Vishambhar Saran is the husband of Mrs. Saroj Agarwal and father of Mr. Vishal Agarwal, Mr. Vikas Agarwal and Mr. Vivek Agarwal. Other than this, none of the other Directors are in any way related to any other Director.
- (b) Mr. Vishambhar Saran, Chairman and Mr. Vishal Agarwal, Managing Director are entitled to performance linked incentive in the form of commission not exceeding Rs.4,657,500 and Rs.4,158,000 respectively for 2009-10, i.e., not exceeding 9 months' basic salary. Mr. Basudeo Prasad Modi, Deputy Managing Director is entitled to a Merit Bonus of Rs.1,320,000 p.a. as per the terms of his appointment and remuneration, approved by the Members. The Company has internal norms for assessing performance of its Executive Directors which is done by the Board.
- (c) Mr. Vishambhar Saran has been re-appointed as Whole-time Director, designated as Chairman for a period of 3 years effective from 15 December 2007. This appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable.
- Mr. Vishal Agarwal has been re-appointed as Managing Director for a period of 3 years effective from 25 June 2008. The appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable.
- Mr. Basudeo Prasad Modi has been appointed as Deputy Managing Director for a period of 3 years effective from 1 April 2008. The appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable.
- (d) The Company has registered a trust in the name and style of "VISA Steel Limited – Employee Welfare Trust" on 23 September, 2008, with Registrar of Assurances, Kolkata for implementing the Employee Stock Option Scheme 2008 for the employees specified therein. However, no option has been granted under the Scheme till date.
- (e) During the financial year 2009-10, 6 meetings of the Board of Directors were held. Mr. Vishambhar Saran, Chairman, was present in 5 Board meetings, Mr. Vishal Agarwal, Managing Director and Mr. Basudeo Prasad Modi, Deputy Managing Director were present in all the 6 Board Meetings. Mr. Vishambhar Saran, Mr. Vishal Agarwal and Mr. Basudeo Prasad Modi were all present at the last Annual General Meeting held on 26 August 2009.

II. BOARD COMMITTEES
Audit Committee

The Audit Committee comprises of 6 directors, all non-executive directors, out of which 4 are independent directors, details given under as on 31 March 2010:

Mr. Shiv Dayal Kapoor, Chairman	- Independent Director
Mr. Maya Shanker Verma	- Independent Director
Mr. Arvind Pande	- Independent Director
Mr. Debi Prasad Bagchi	- Independent Director
Mr. Vikas Agarwal	- Non-Executive Director
Mr. Vivek Agarwal	- Non-Executive Director

All members of the Audit Committee are financially literate and possess requisite accounting or financial management expertise.

The Company Secretary acts as Secretary to the Committee. The powers, role and terms of reference of the Committee

are as per Clause 49 of the Listing Agreement and the Committee reviews information as prescribed under Clause 49 at its meetings. The broad terms of reference of the Audit Committee are:

1. Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
2. Reviewing with the management the internal control systems, internal audit functions, observations of the auditors, periodical financial statements before submission to the Board.
3. Recommendation of matters relating to financial management and audit reports.
4. The Committee is authorised to investigate into matters contained in the terms of reference or referred / delegated to it by the Board and, for this purpose, has full access to information / records of the Company including seeking external professional support, if necessary.

During the financial year 2009-10, the Committee met five times on 19 May 2009, 24 June 2009, 22 July 2009, 30 October 2009 and 22 January 2010 and the details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Shiv Dayal Kapoor	5	5
Mr. Maya Shanker Verma	5	5
Mr. Arvind Pande	5	3
Mr. Debi Prasad Bagchi	5	5
Mr. Vikas Agarwal	5	3
Mr. Vivek Agarwal	5	-

Share Transfer and Investor Grievance Committee

The Share Transfer and Investor Grievance Committee comprises of the following Directors as on 31 March 2010:

Mr. Arvind Pande, Chairman	- Independent Director
Mr. Maya Shanker Verma	- Independent Director
Mr. Shiv Dayal Kapoor	- Independent Director
Mr. Shanti Narain	- Independent Director
Mr. Vishal Agarwal	- Managing Director

The primary function of the Committee is to supervise and ensure efficient transfer of shares, issue of new / duplicate share certificates, dematerialisation and rematerialisation of shares and speedy redressal of investor grievances.

As on 31 March 2010, 99.77% of the Company's shares are in dematerialised form and the shares are compulsorily traded on the stock exchanges in the dematerialised form.

During the financial year 2009-10, the Committee met four times on 19 May 2009, 22 July 2009, 30 October 2009 and 22 January 2010 and the details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Arvind Pande	4	3
Mr. Maya Shanker Verma	4	4
Mr. Shiv Dayal Kapoor	4	4
Mr. Shanti Narain	4	2
Mr. Vishal Agarwal	4	4

Details of shareholders' complaints are given in the "Shareholder Information" section of the Annual Report.

The Company Secretary is also the Compliance Officer of the Company.

Remuneration Committee

There is a Remuneration Committee in place with roles, powers and duties, to be determined by the Board from time to time. The Committee recommends appropriate compensation packages for Directors and Executive Officers to retain best available personnel for key positions and provide performance based incentives. The scope of the Remuneration Committee had been expanded to include powers related to issuance of ESOP / ESPS to employees, finalisation and administration of the Scheme. The Committee comprises of the following Directors as on 31 March 2010:

Mr. Pradip Kumar Khaitan, Chairman	- Independent Director
Mr. Debi Prasad Bagchi	- Independent Director
Mr. Shanti Narain	- Independent Director
Mr. Vikas Agarwal	- Non-Executive Director
Mr. Vivek Agarwal	- Non-Executive Director

One meeting of the Remuneration Committee was held during the financial year on 22 January 2010 and the details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Pradip Kumar Khaitan	1	-
Mr. Debi Prasad Bagchi	1	1
Mr. Shanti Narain	1	1
Mr. Vikas Agarwal	1	1
Mr. Vivek Agarwal	1	-

Finance & Banking Committee

In addition to the above Committees, your Company has a Finance & Banking Committee with powers to approve strategies, plans, policies and actions related to corporate finance. The Committee comprises of the following Directors as on 31 March 2010:

Mr. Maya Shanker Verma, Chairman	- Independent Director
Mr. Shiv Dayal Kapoor	- Independent Director
Mr. Pradip Kumar Khaitan	- Independent Director
Mr. Vikas Agarwal	- Non-Executive Director
Mr. Vishal Agarwal	- Managing Director

Four meetings of the Committee were held during 2009-10 on 19 May 2009, 22 July 2009, 30 October 2009 and 22 January 2010, and the details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Maya Shanker Verma	4	4
Mr. Shiv Dayal Kapoor	4	4
Mr. Pradip Kumar Khaitan	4	2
Mr. Vikas Agarwal	4	2
Mr. Vishal Agarwal	4	4

Selection Committee

In terms of Section 314(1B) of the Companies Act, 1956 and Director's Relatives (Office or Place of Profit) Rules 2003, for selecting and appointing employees, who are relatives of the Directors and carrying monthly remuneration exceeding Rs.50,000, your Company has a Selection Committee in place. The role of the Committee is also to determine the remuneration and revisions to the same and making periodic recommendations to the Board on their performance. The Committee comprises of the following Independent Directors as on 31 March 2010:

Mr. Debi Prasad Bagchi, Chairman	- Independent Director
Mr. Arvind Pande	- Independent Director
Mr. Pradip Kumar Khaitan	- Independent Director
Mr. Shanti Narain	- Independent Director

A meeting of the Selection Committee was held on 30 October 2009 which was attended by Mr. Debi Prasad Bagchi, Mr. Arvind Pande and Mr. Shanti Narain.

III. SUBSIDIARY COMPANIES

The Company has two subsidiary companies, M/s VISA BAO Limited (VBL) and M/s Ghotaringa Minerals Limited. As per the provisions of Clause 49 of the Listing Agreement, both the companies were not material non-listed subsidiary company for the financial year 2009-10 and hence the provisions of this clause did not apply.

However, as on 31 March 2010, the net worth of VBL has exceeded 20% of the consolidated net worth of the Listed Holding Company and its subsidiaries. Accordingly, pursuant to the Clause 49, VBL has become a "material non-listed Indian subsidiary" of your Company and at least one independent director on the Board of Directors of your Company shall be appointed as director on the Board of Directors of VBL. Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e., paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

IV. DISCLOSURES

Related Party transactions

Related Party transactions as specified under Clause 49 of the Listing Agreement is placed before the Audit Committee. A comprehensive list of Related Parties and their transactions as required by AS-18 issued by the Institute of Chartered Accountants of India, forms part of Note 13, Schedule 16 to the Accounts in the Annual Report.

Disclosure of Accounting Treatment

The accounting treatment in the preparation of financial statements is in line with that prescribed by the Accounting Standards u/s 211(3C) of the Companies Act, 1956.

Code of Conduct

The Code of Conduct applicable to the Directors and Senior Management, as approved by the Board of Directors is available on the website of the Company – www.visasteel.com. All Directors and Senior Management Personnel have affirmed compliance with the Code and a declaration signed by the Managing Director is given below:

"I hereby confirm that, the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2009-10."

Kolkata
Date: 19 May 2010

Vishal Agarwal
Managing Director

Risk Management

The Company periodically identifies, assesses and monitors risks associated with project implementation, foreign exchange fluctuation, processes and systems, statutory compliances, HR policies etc. The Internal Auditor conducts periodical audits and reports to the Audit Committee at its meetings on the adequacy of the procedures.

Details on use of proceeds from public issues

During the year, the Company did not raise any money through public issue, right issues or preferential issues and there was no unspent money raised through such issues.

Remuneration of Directors

All details of remuneration to Directors have been disclosed above.

The details of the shares held by the Non-Executive Directors as on 31 March 2010 are as given below:

Name of the Director	No. of shares held
Mr. Maya Shanker Verma	1,017
Mr. Arvind Pande	-
Mr. Shiv Dayal Kapoor	-
Mr. Debi Prasad Bagchi	-
Mr. Shanti Narain	-
Mr. Pradip Kumar Khaitan	-
Mrs. Saroj Agarwal	70,100*
Mr. Vikas Agarwal	20,100*
Mr. Vivek Agarwal	20,100*

*Beneficial interest of these shares vests with VISA International Limited.

Details of Directors appointed / re-appointed

Details of Directors being appointed / re-appointed, have been disclosed in the Notice for the AGM, i.e. a brief resume, nature of expertise in specific functional areas, names of directorships and committee memberships and their shareholding in the Company.

Means of communication

- Quarterly results

Which newspapers normally published in	- Business Standard - Sambad (Oriya)
Any website, where displayed	- www.visasteel.com
Whether it displays official news releases	- Yes
Presentation to investors / analysts: are they available on the website	- Available as and when made
Whether Shareholder Information Report forms part of the Annual Report	- Yes

General Body Meetings

Current AGM, date, time and venue:

The forthcoming Annual General Meeting will be held on Tuesday, 17 August, 2010 at 11.30 a.m. at Jayadev Bhawan, Ashok Nagar, Unit II, Bhubaneswar 751 001.

Location and time, where last three AGMs held:

Year	Location	Date	Time	Whether special resolutions passed
2008-09	Jayadev Bhavan, Ashok Nagar, Unit-II, Bhubaneswar 751 001	26 August 2009	12.30 p.m.	Yes
2007-08	Jayadev Bhavan, Ashok Nagar, Unit-II, Bhubaneswar 751 001	29 July 2008	12.30 p.m.	No
2006-07	IDCOL Auditorium, IDCOL House, Ashok Nagar, Near Indira Gandhi Park, Unit – II, Bhubaneswar 751 001	30 July 2007	12.30 p.m.	No

Postal Ballot

Whether resolutions were put through postal ballot last year : No

Details of voting pattern : NA

Person who conducted the postal ballot exercise : NA

Procedure for postal ballot : NA

Whether any resolution is proposed to be conducted through postal ballot : NA

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

There are no penalties or strictures imposed on the Company by SEBI or Stock Exchanges or any statutory authority on any capital market issue during the last 3 years.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.

Your Company is in compliance with all the mandatory requirements of this clause and with regard to the non-mandatory requirements, your Company already has a Remuneration Committee in place. The Company also issues Investor & Press Releases on a quarterly basis, subsequent to the publication of the financial results, which are sent to the Stock Exchanges and are available on the website of the Company. Other non-mandatory requirements shall be put in place, as and when considered and approved by the Board.

Certificate from the Auditors regarding compliance of the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is annexed herewith.

Shareholders' Information

1. ANNUAL GENERAL MEETING

- Date and Time : 17 August 2010 at 11.30 a.m.
 -Venue : Jayadev Bhavan, Ashok Nagar, Unit II,
 Bhubaneswar 751001

2. FINANCIAL YEAR

: April to March

3. FINANCIAL CALENDAR (TENTATIVE)

:

Financial reporting and Limited Review for the quarter ending 30 June 2010	End July 2010
Financial reporting and Limited Review for the half year ending 30 September 2010	End October 2010
Financial reporting and Limited Review for the quarter ending 31 December 2010	End January 2011
Financial reporting for the year ending 31 March 2011	Mid May 2011
Annual General Meeting for the year ending 31 March 2011	Mid July 2011

4. DATES OF BOOK CLOSURE

: 10 August 2010 to 17 August 2010
 (both days inclusive)

5. DIVIDEND PAYMENT DATE

: Within 3 weeks from the date of Annual
 General Meeting

6. REGISTERED OFFICE

: VISA House, 11, Ekamra Kanan,
 Nayapalli,
 Bhubaneswar 751 015
 Tel: +91 0674 2552 479, Fax: +91 0674 2554 661
 E-mail: investors@visasteel.com
 Website: www.visasteel.com

7. LISTING DETAILS

: Equity Shares
 Bombay Stock Exchange Limited
 Floor 25, Phiroze Jeejeebhoy Towers
 Dalal Street, Mumbai 400 001
 Stock Symbol: (532721)

 The National Stock Exchange of India Limited
 "Exchange Plaza", Bandra – Kurla Complex
 Bandra (E), Mumbai 400 051
 Stock Symbol: (VISASTEEL)

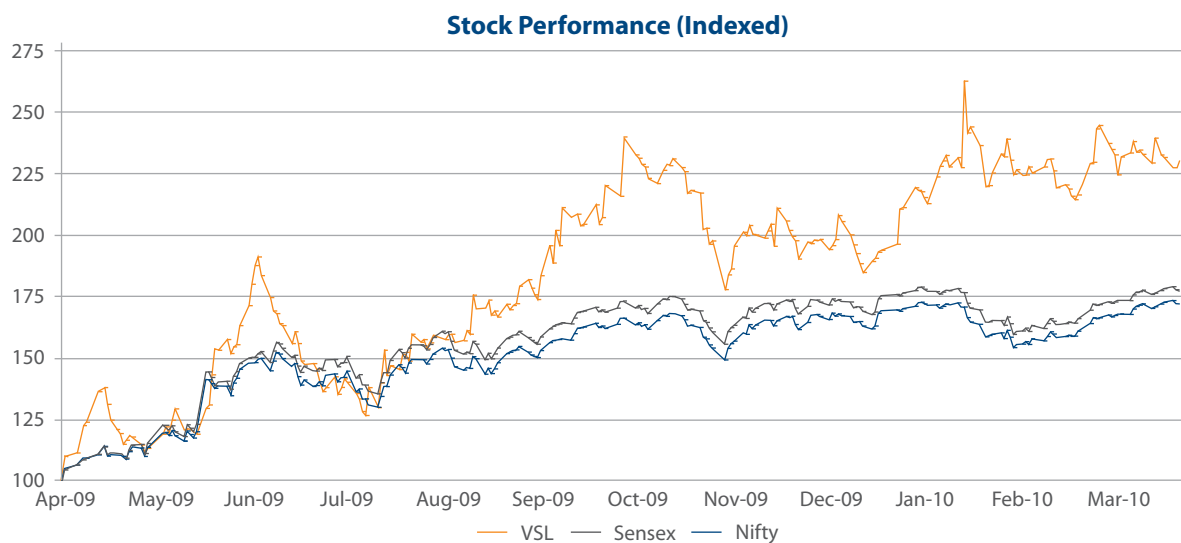
Note : Listing fees has been paid to the Stock Exchanges for the year 2010-11.

8. STOCK PRICE DATA:

	Bombay Stock Exchange				National Stock Exchange			
	High	Low	Close	No. of Shares Traded	High	Low	Close	No. of Shares Traded
	(Rs.)			(Nos)	(Rs.)			(Nos)
Apr-09	26.45	18.25	20.70	1,050,086	26.35	17.55	20.85	2,389,721
May-09	30.10	21.05	30.10	1,234,126	30.05	21.15	30.05	2,577,385
Jun-09	36.80	24.10	24.95	1,042,984	35.90	24.70	24.90	2,236,646
Jul-09	30.10	22.50	29.30	1,823,989	30.15	21.55	29.30	3,946,491
Aug-09	34.90	27.50	33.85	1,275,717	34.50	27.60	33.50	2,559,176
Sep-09	42.35	31.50	39.70	3,306,361	42.50	31.00	39.75	7,395,473
Oct-09	47.45	35.50	36.05	2,714,606	47.20	36.00	36.40	5,252,142
Nov-09	43.20	31.50	36.05	2,136,773	42.00	31.80	36.30	4,159,875
Dec-09	40.65	33.80	38.75	4,147,275	40.70	33.85	38.90	10,469,037
Jan-10	50.20	37.75	41.45	9,242,024	50.30	37.10	41.50	22,303,475
Feb-10	45.95	39.10	39.75	2,228,989	47.50	38.10	39.85	5,207,615
Mar-10	47.20	40.25	42.45	2,956,051	47.40	40.25	42.40	6,400,092

9. STOCK CODE:

	Reuters	Bloomberg
Bombay Stock Exchange	VISA.BO	VISA:IN
National Stock Exchange	VISA.NS	VISA:IN

10. STOCK PERFORMANCE:

11. STOCK PERFORMANCE OVER THE PAST FEW YEARS:

(In Percentage)	1 Year	2 Years	3 Years	4 Years
VISASTEEL	129.81	(-) 4.07	60.30	(-) 20.00
BSE Sensex	80.54	12.04	34.09	55.39
NSE Nifty	73.76	10.87	37.36	54.27

12. REGISTRARS AND TRANSFER AGENTS:

(Share transfer and communication regarding share certificates, dividends and change of address)

Karvy Computershare Private Limited
 Unit: VISA Steel Limited
 Plot No. 17-24, Vittal Rao Nagar, Madhapur,
 Hyderabad 500 081
 Tel: + 91 40 2331 2454, Fax: + 91 40 2342 1971
 Email: jayaramanvk@karvy.com
 Website: www.karvy.com

13. SHARE TRANSFER SYSTEM:

The Board of Directors have delegated powers to the Registrars & Transfer Agents for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, rematerialisation and dematerialisation etc., as and when such requests are received.

14. INVESTOR SERVICES:

-Complaints received during the year

Nature of complaints	2009-10		2008-09	
	Received	Cleared	Received	Cleared
Relating to non-allotment, non-receipt of refund cheques arising out of the IPO exercise	1	1	17	17
Grievance related to non receipt of dividend	7	7	10	10
Relating to complaints from SEBI / Stock Exchanges	1	1	1	1
Total	9	9	28	28

- Number of pending complaints as on 31 March 2010: NIL

- Number of pending share transfers as at 31 March 2010: NIL

15. DETAILS OF UNCLAIMED SHARES AS ON 31 MARCH 2010:

Pursuant to Clause 5A of the Listing Agreement, the details of shares issued pursuant to the initial public issue of the Company which remains unclaimed and are lying in the escrow account as on 31 March 2010 are as follows:

Year	Opening Balance as on 01.04.2009		Cases disposed off during the Financial Year 2009-10		Closing Balance as on 31.03.2010	
	No. of Cases	No. of Shares	No. of Cases	No. of Shares	No. of Cases	No. of Shares
2009-2010	15	4,196	1	141	14	4,055

16. DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH:

No. of equity shares held	2010				2009			
	No. of share-holders	% of share - holders	No. of shares held	% share - holding	No. of share-holders	% of share-holders	No. of shares held	% share-holding
1 – 500	30,321	82.18	5,243,831	4.77	30,695	82.75	5,332,170	4.85
501 – 1000	3,883	10.52	2,979,272	2.71	3,944	10.63	2,969,962	2.70
1001 – 2000	1,589	4.31	2,343,967	2.13	1,528	4.12	2,205,263	2.00
2001 – 3000	352	0.95	919,417	0.83	319	0.86	831,749	0.76
3001 – 4000	152	0.41	549,024	0.50	130	0.35	470,548	0.43
4001 – 5000	187	0.51	904,811	0.82	149	0.40	713,908	0.65
5001 – 10000	200	0.54	1,549,319	1.41	155	0.42	1,211,795	1.10
10001 and above	213	0.58	95,510,359	86.83	174	0.47	96,264,605	87.51
Total	36,897	100.00	110,000,000	100.00	37,094	100.00	110,000,000	100.00

17. CATEGORIES OF SHAREHOLDING AS ON 31 MARCH:

Category	2010			2009		
	No. of share-holders	No. of shares held	% share-holding	No. of share-holders	No. of shares held	% share-holding
Promoters	8*	80,000,000	72.73	8*	80,000,000	72.73
Persons acting in concert	-	-	-	-	-	-
Mutual Funds	1	372,271	0.34	1	473,500	0.43
Banks and Financial Institutions	2	1,501	0.00	1	1	0.00
FIs	4	5,994,931	5.45	4	8,737,184	7.94
NRIs	645	754,721	0.69	668	641,637	0.58
Bodies Corporate	702	5,536,824	5.03	652	4,116,544	3.74
Indian Public	35,535	17,339,752	15.76	35,760	16,031,134	14.58
Total	36,897	110,000,000	100.00	37,094	110,000,000	100.00

* Includes 6 shareholders, where the beneficial interest of shares lies with VISA International Limited.

18. DEMATERIALISATION OF SHARES AND LIQUIDITY

: 99.77% of outstanding equity shares have been dematerialised upto 31 March 2010.

The International Security Identification Number (ISIN) for your Company's shares is INE286H01012.

The CIN allotted by the Ministry of Corporate Affairs is L51109OR1996PLC004601.

19. DETAILS ON USE OF PUBLIC FUNDS OBTAINED IN THE LAST THREE YEARS

: No funds had been raised from public in the last three years.

20. PLANT LOCATIONS

Kalinganagar Industrial Complex
P.O. Jakhapura
Dist. Jajpur
Orissa 755 019
Tel: + 91 6726 242441
Fax: + 91 6726 242442

:

Village Golagaon
Near Duburi
P.O. Pankapal, Dist. Jajpur
Orissa
Tel: + 91 6726 245470
Fax: + 91 6726 245561

21. INVESTOR CORRESPONDENCE

:

The Company Secretary,
VISA Steel Limited
"Brooke House", 2nd Floor,
9, Shakespeare Sarani,
Kolkata 700 071
Tel: + 91 33 3051 9000
Fax: + 91 33 3051 9001
Email: investors@visasteel.com

In line with the Circular no.SEBI/CFD/DIL/LA/1/2009/24/04 dated 24 April, 2009 issued by Securities and Exchange Board of India, the Company has opened a Demat Account titled "VISA Steel Limited – Demat Suspense Account" comprising shares allotted to investors during the IPO and not yet credited to the investors' demat account due to mismatch of information / invalid demat account. Investors who have not received credit of shares allotted to them during the IPO are requested to contact the Registrars / Company Secretary for the same.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of VISA Steel Limited

We have examined the compliance of conditions of Corporate Governance by VISA Steel Limited (the Company) for the year ended on 31 March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata

Date: 19 May 2010

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants
Partha Mitra
Partner
Membership No. 50553