

Report on Corporate Governance



Corporate Governance: Our Philosophy

Corporate Governance which has become the integral part of business operations encompasses the key elements such as integrity, transparency, fairness and adoption of highest standards of business ethics to benefit the interest of the stakeholders. Corporate governance is beyond the realm of law. It stems from the culture and mindset of management and cannot be regulated by legislation alone. Corporate governance also provides the structure through which the objectives of the company are set and the means of attaining those objectives and monitoring performance are determined.

VISA Steel Limited (the Company) has been practicing the principles of good Corporate Governance by adopting best practices followed in the area of corporate governance, disclosure standards while protecting the interests of stakeholders in every business decision. The Board of Directors and its

committees, on behalf of and for the benefit of the Company's stakeholders endeavor to achieve high level of transparency, integrity and equity in all its operations to meet stakeholders aspirations and societal expectations. Your Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its vision of emerging as a low cost producer of value added steel products with captive mineral resources and power.

Compliance with the SEBI Code on Corporate Governance

In line with this, we are pleased to inform you that, as on 31 March 2011, 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 2011

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	12	-	1	-	-
Mr. Maya Shanker Verma	Non-Executive, Independent	4	3	-	2	1
Mr. Shiv Dayal Kapoor	Non-Executive, Independent	6	-	-	1	4
Mr. Debi Prasad Bagchi	Non-Executive, Independent	8	1	-	2	6
Mr. Pradip Kumar Khaitan	Non-Executive, Independent	14	-	1	-	6
Mr. Shanti Narain	Non-Executive, Independent	2	-	-	-	2
Mrs. Saroj Agarwal	Non-Executive	9	-	-	1	-
Mr. Vikas Agarwal	Non-Executive	11	2	-	-	3
Mr. Vishal Agarwal	Managing Director	13	-	-	2	2
Mr. Basudeo Prasad Modi	Deputy Managing Director	3	-	-	-	-

- 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.
- 3 At the last Annual General Meeting of the Company held on 17 August 2010, Mr. Arvind Pande, retiring Director, who was a Non-Executive & Independent Director on the Board of the Company, did not opt for re-election. Hence Mr. Pande ceased to be director with effect from that date. Due to retirement of Mr. Arvind Pande, Independent Director, the number of Independent Directors on the Board had reduced from 6 to 5 temporarily and the Company was taking steps to induct an Independent Director on the Board of the Company. Further, Mr. Vivek Agarwal, Non-Executive Director, resigned from the Board of Directors of the Company w.e.f. 28 January 2011. The composition of the Board of Directors of the Company as on 31 March 2011 is in compliance with the requirements of Clause 49 (IA) of the Listing Agreement.

Details of the Board Meeting and Attendance

Date of the Board Meeting	City	No. of Directors Present
19 May 2010	Kolkata	9
30 July 2010	Kolkata	9
29 October 2010	Kolkata	9
4 February 2011	Kolkata	10

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 2010-11	No. of Board Meetings		Attended Last AGM ³
	(Rs.)	(Rs.)	(Rs.)	Held	Attended	
Mr. Maya Shanker Verma	140,000	578,313	718,313	4	3	No
Mr. Arvind Pande (ceased to be a Director w.e.f. 17 August 2010)	-	-	-	2	-	No
Mr. Shiv Dayal Kapoor	180,000	795,181	975,181	4	4	Yes
Mr. Debi Prasad Bagchi	160,000	686,747	846,747	4	4	Yes
Mr. Pradip Kumar Khaitan	50,000	216,867	266,867	4	2	No
Mr. Shanti Narain	160,000	722,892	882,892	4	4	No
Mrs. Saroj Agarwal	80,000	-	80,000	4	4	No
Mr. Vikas Agarwal	170,000	-	170,000	4	4	No
Mr. Vivek Agarwal (ceased to be a Director w.e.f. 28 January 2011)	-	-	-	3	-	No
Total	940,000	3,000,000	3,940,000			

Note:

1. During 2010-11, 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 17 August 2010.
4. No stock options have been granted during the year to any of the above Directors.

B. Executive Directors

Name of the Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration paid during 2010-11			
			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	27,487,534	See note (b)	See note (c)	See note (d)
Mr. Vishal Agarwal	See Note (a)	Managing Director	22,158,238	See note (b)	See note (c)	See note (d)
Mr. Basudeo Prasad Modi	See Note (a)	Deputy Managing Director	6,149,536	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 and Mr. Vikas Agarwal. Other than this, none of the other Directors are in any way related to any other Director.
- (b) Mr. Vishambhar Saran, Chairman is entitled to performance linked incentive in the form of commission not exceeding 2% of the net profits of the Company u/s 198 of the Companies Act, 1956, subject to a maximum limit of 9 months salary till 14 December 2010. On 15 December 2010, Mr. Saran was re-appointed as Whole-time Director designated as Chairman of the Company for a period of three years. As per the terms and conditions of his re-appointment including remuneration, he is entitled to Commission upto 2% of the net profits of the Company for the relevant financial year computed in the manner laid down in Section 198 of the Companies Act, 1956, subject to the overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. Accordingly, Mr. Saran is entitled to commission of Rs. 9,925,785 for the FY'2010-11.

Mr. Vishal Agarwal, Managing Director is also entitled to performance linked incentive in the form of commission not exceeding Rs. 5,184,000, i.e., not exceeding 9 months' basic salary for FY'2010-11.

Mr. Basudeo Prasad Modi, Deputy Managing Director is entitled to a Merit Bonus of Rs. 1,200,000 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 with effect from 15 December 2010. This appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable. The re-appointment is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

At the Annual General Meeting of the Company, held on 29 July 2008, Mr. Vishal Agarwal was re-appointed as the Managing Director w.e.f. 25 June 2008 for a period of three years. The appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable. The present term of re-appointment will expire on 24 June 2011.

The Board of Directors, had in its meeting held on 30 May 2011, re-appointed Mr. Vishal Agarwal as Managing Director for a period of 3 years effective from 25 June 2011. The appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable. The re-appointment is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

Mr. Basudeo Prasad Modi has been re-appointed as Deputy Managing Director for a period of 1 year effective from 1 April 2011. The appointment may be terminated by either party by giving 1 month's notice in writing and no severance fee is payable. The re-appointment is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

- (d) The Company rescinded its Employee Stock Option Scheme 2008 under which no Options had been granted and implemented a new ESOP Scheme titled Employee Stock Option Scheme 2010 (ESOP Scheme 2010), salient features of which were duly approved by the Members of the Company at the Annual General Meeting held on 17 August 2010. The ESOP Scheme 2010 was framed pursuant to the approval of the Members of the Company at the aforesaid Annual General Meeting and adopted by the Remuneration Committee of Board of Directors of the Company at its meeting held on 4 February 2011. Mr. Vishambhar Saran and Mr. Vishal Agarwal, being promoters of the Company, are not eligible for grant of Options under the ESOP Scheme 2010. Mr. Basudeo Prasad Modi has been granted 50,000 Options, details of which are as follows:

Grant Date	No. of Options granted	Exercise Price per Option	Vesting Details		Options exercised so far [#]
			No. of Options vested / to be vested	Vesting Dates	
4 February 2011	50,000*	Rs. 46.30 (Not issued at a discount)	12,500	4 February 2012	-
			12,500	4 February 2013	-
			12,500	4 February 2014	-
			12,500	4 February 2015	-

* Each option when exercised would be converted into one Equity Share of Rs. 10 each fully paid-up.

The options are exercisable within a period of 3 years from the date of vesting.

- (e) During the financial year 2010-11, 4 meetings of the Board of Directors were held. Mr. Vishambhar Saran, Chairman, Mr. Vishal Agarwal, Managing Director and Mr. Basudeo Prasad Modi, Deputy Managing Director were present in all the 4 Board Meetings. Mr. Basudeo Prasad Modi was present at the last Annual General Meeting held on 17 August 2010. Mr. Vishambhar Saran and Mr. Vishal Agarwal were not able to attend the Annual General Meeting due to unavoidable circumstances.

II. BOARD COMMITTEES

Audit Committee

The Audit Committee comprises of 4 Directors, all Non-Executive Directors, out of which 3 are Independent Directors, details given under as on 31 March 2011:

Mr. Shiv Dayal Kapoor, Chairman	- Independent Director
Mr. Maya Shanker Verma	- Independent Director
Mr. Debi Prasad Bagchi	- Independent Director
Mr. Vikas 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 2010-11, the Committee met four times on 19 May 2010, 30 July 2010, 29 October 2010 and 4 February 2011 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	4	4
Mr. Maya Shanker Verma	4	3
Mr. Arvind Pande ¹	2	-
Mr. Debi Prasad Bagchi	4	4
Mr. Vikas Agarwal	4	4
Mr. Vivek Agarwal ²	3	-

Note : 1. Mr. Arvind Pande ceased to be a Director w.e.f. 17 August 2010.

2. Mr. Vivek Agarwal ceased to be a Director w.e.f. 28 January 2011.

Share Transfer and Investor Grievance Committee

The Share Transfer and Investor Grievance Committee comprises of the following Directors as on 31 March 2011:

Mr. Shanti Narain, Chairman	- Independent Director
Mr. Maya Shanker Verma	- Independent Director
Mr. Shiv Dayal Kapoor	- 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 & rematerialisation of shares and speedy redressal of investor grievances.

As on 31 March 2011, 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 2010-11, the Committee met four times on 19 May 2010, 30 July 2010, 29 October 2010 and 4 February 2011 and the details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Shanti Narain ¹	4	4
Mr. Maya Shanker Verma	4	3
Mr. Shiv Dayal Kapoor	4	4
Mr. Arvind Pande ²	2	-
Mr. Vishal Agarwal	4	4

Note : 1. Mr. Shanti Narain was appointed as Chairman of the Share Transfer & Investor Grievance Committee with effect from 29 October 2010.

2. Mr. Arvind Pande was Chairman of the Share Transfer & Investor Grievance Committee upto 17 August 2010. He ceased to be a Director w.e.f. 17 August 2010.

Details of shareholders' complaints are given in the "Shareholders 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, implementation and administration of the ESOP Scheme 2010. The Committee comprises of the following Directors as on 31 March 2011:

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

Three meetings of the Remuneration Committee were held during the financial year on 19 May 2010, 29 October 2010 and 4 February 2011 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	3	1
Mr. Debi Prasad Bagchi	3	3
Mr. Shanti Narain	3	3
Mr. Vikas Agarwal	3	3
Mr. Vivek Agarwal ¹	2	-

Note : 1. Mr. Vivek Agarwal ceased to be a Director w.e.f. 28 January 2011.

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 2011:

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

Two meetings of the Committee were held during 2010-11 on 19 May 2010 and 4 February 2011 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	2	2
Mr. Shiv Dayal Kapoor	2	2
Mr. Pradip Kumar Khaitan	2	-
Mr. Vikas Agarwal	2	2
Mr. Vishal Agarwal	2	2

Selection Committee

In terms of Section 314(1B) of the Companies Act, 1956 and Director's Relatives (Office or Place of Profit) Rules, 2003, as amended by the Director's Relatives (Office or Place of Profit) Amendment Rules, 2011, for selecting and appointing employees, who are relatives of the Directors and carrying monthly remuneration exceeding Rs. 250,000, 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 2011:

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

Mr. Arvind Pande was a member of the Selection Committee upto 17 August 2010. He ceased to be a Director w.e.f. 17 August 2010.

A meeting of the Selection Committee was held on 29 October 2010 which was attended by Mr. Debi Prasad Bagchi and Mr. Shanti Narain.

III. SUBSIDIARY COMPANIES

The Company has two subsidiary companies, VISA BAO Limited (VBL) and Ghotaringa Minerals Limited.

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. Under this definition, VBL is a "material non-listed Indian subsidiary" of your Company.

In accordance with the Clause 49 (III) of the Listing Agreement, the following is duly complied with:

- Mr. Shiv Dayal Kapoor, an Independent Director on the Board of Directors of the Company is a Director on the Board of Directors of VBL.
- The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies.
- The minutes of the Board meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of Directors of the Company for their review.

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 12, 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 2010-11."

Kolkata
Date: 30 May 2011

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 2011 are as given below:

Name of the Director	No. of shares held
Mr. Maya Shanker Verma	1,017
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*

*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 Annual General Meeting (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, 26 July, 2011 at 4.00 p.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
2009-10	Jayadev Bhavan, Ashok Nagar, Unit-II, Bhubaneswar 751 001	17 August 2010	11.30 a.m.	Yes
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

Postal Ballot

Whether resolutions were put through postal ballot last year : Yes

The Postal Ballot Notice dated 30 July 2010 pursuant to Section 192A of the Companies Act, 1956 was sent to the Members of the Company in relation to Ordinary Resolutions for seeking the Members' assent or dissent for increasing the borrowing limits of the Company under Section 293(1)(d) of the Companies Act, 1956 and for authorising the Board of Directors to create mortgage and/or charge on the assets of the Company for securing borrowings in accordance with Section 293(1)(a) of the Companies Act, 1956. The Members were requested to return the postal ballot forms duly completed along with the assent (for) or dissent (against), so as to reach the Scrutinizer on or before 19 September 2010.

Details of voting pattern :

Particulars	Resolution No.1 Authorisation for increase in the borrowing limits of the Company under Section 293(1)(d) of the Companies Act, 1956		Resolution No. 2 Creation of security under Section 293(1)(a) of the Companies Act, 1956	
	No. of Postal Ballot Forms	No. of Shares	No. of Postal Ballot Forms	No. of Shares
Total Postal Ballot Forms received	567	80,554,929	567	80,554,879
-Valid Postal Ballot Forms	528	80,521,258	504	80,513,828
-Invalid Postal Ballot Forms	39	33,671	63	41,051
Postal Ballot Forms with assent for the Resolution	494	80,503,122	476	80,494,403
Postal Ballot Forms with dissent for the Resolution	34	18,136	28	19,425

The Ordinary Resolutions as contained in the Postal Ballot Notice dated 30 July 2010 were duly passed by the requisite majority. Votes cast in favour were 99.94% of the total votes cast on the resolution no. 1 and 99.92% of the total votes cast on the resolution no. 2.

Person who conducted the postal ballot exercise :

Mr. Debendra Raut of M/s. D. Raut & Associates, Practising Company Secretary was appointed as Scrutinizer to receive and scrutinize the completed postal ballot forms received from the Members and for conducting the Postal Ballot in a fair and transparent manner.

Procedure for postal ballot :

After receiving the approval of the Board of Directors, the Notice, Explanatory Statement along with the Postal Ballot Form and prepaid self addressed reply envelope were despatched to the Members to enable them to consider and vote for or against the resolution within a period of 30 days from the date of despatch. After the last date of receipt of Postal Ballot, the Scrutinizer, after due verification, submitted his report. The result for the above Postal Ballot resolution was declared by the Chairman and was posted at the Registered Office of the Company. The results were also published in the Newspapers and intimated to the Stock Exchanges.

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

At present there is no such proposal.

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 : 26 July 2011 at 4.00 p.m.
- Venue : Jayadev Bhavan,
Ashok Nagar, Unit II,
Bhubaneswar 751 001

2. Financial Year

: April to March

3. Financial Calendar (Tentative)

:

Financial reporting and Limited Review for the quarter ending 30 June 2011	End July 2011
Financial reporting and Limited Review for the half year ending 30 September 2011	Mid October 2011
Financial reporting and Limited Review for the quarter ending 31 December 2011	End January 2012
Financial reporting for the year ending 31 March 2012	End May 2012
Annual General Meeting for the year ending 31 March 2012	End July 2012

4. Dates of Book Closure

: 18 July 2011 to 26 July 2011 (both days inclusive)

5. Dividend Payment Date

: The Dividend will be credited / despatched between 1 August 2011 and 8 August 2011 to the eligible members.

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 2011-12.

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-10	47.00	40.10	44.05	61,285,611	46.90	40.60	44.00	9,027,852
May-10	44.30	33.50	35.20	2,959,005	44.20	33.45	35.20	6,617,035
Jun-10	38.80	34.25	37.05	1,389,830	40.00	34.55	37.15	3,413,465
Jul-10	41.15	36.50	38.85	1,834,328	41.10	36.90	38.80	3,192,628
Aug-10	39.50	35.00	35.30	1,391,052	39.60	35.10	35.30	2,726,750
Sep-10	43.60	35.35	38.60	4,705,417	43.45	35.50	38.65	9,449,672
Oct-10	43.60	38.00	40.20	2,368,029	43.50	38.85	40.25	4,959,681
Nov-10	43.80	34.25	36.10	1,107,187	43.15	34.45	36.20	2,513,814
Dec-10	38.40	33.05	36.75	597,742	38.30	32.85	36.95	1,447,269
Jan-11	45.60	36.35	44.45	3,196,319	45.65	36.10	44.65	7,920,604
Feb-11	47.85	42.00	43.85	1,203,370	48.00	42.45	44.00	2,557,451
Mar-11	47.35	41.00	44.95	443,957	47.05	42.50	45.20	999,476

9. Stock Code :

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

10. Stock Performance :

Stock performance (indexed)



11. Stock Performance over the past few years :

(In Percentage)	1 Year	2 Years	3 Years	4 Years	5 Years
VISASTEEL	6.60	144.99	2.26	70.88	(-)14.71
BSE Sensex	10.94	100.29	24.29	48.75	72.38
NSE Nifty	11.14	93.10	23.21	52.65	71.45

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 4465 5000, Fax: + 91 40 2342 0814
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.

The Company obtains a half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement from a Company Secretary in practice and files a copy of the certificate with the Stock Exchanges. Further, reconciliation of the share capital report is also submitted on a quarterly basis for reconciliation of the share capital of the Company.

14. Investor Services :

- Complaints received during the year

Nature of complaints	2010-11		2009-10	
	Received	Cleared	Received	Cleared
Relating to non-allotment, non-receipt of refund cheques arising out of the IPO exercise.	-	-	1	1
Grievance related to non receipt of dividend	23	23	7	7
Relating to complaints from SEBI / Stock Exchanges.	1	1	1	1
Total	24	24	9	9

- Number of pending complaints as on 31 March 2011: NIL

- Number of pending share transfers as at 31 March 2011: NIL

15. Details of Unclaimed Shares as on 31 March 2011:

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 2011 are as follows:

Year	Opening Balance as on 1.4.2010		Cases disposed off during the Financial Year 2010-11		Closing Balance as on 31.3.2011	
	No. of Cases	No. of Shares	No. of Cases	No. of Shares	No. of Cases	No. of Shares
2010-2011	14	4,055	-	-	14	4,055

16. Distribution of Shareholding as on 31 March:

No. of equity shares held	2011				2010			
	No. of shareholders	% of shareholders	No. of shares held	% shareholding	No. of shareholders	% of shareholders	No. of shares held	% shareholding
1 - 500	25,679	82.79	4,364,105	3.97	30,321	82.18	5,243,831	4.77
501 - 1000	3,260	10.51	2,483,948	2.26	3,883	10.52	2,979,272	2.71
1001 - 2000	1,245	4.01	1,826,129	1.66	1,589	4.31	2,343,967	2.13
2001 - 3000	263	0.85	687,697	0.63	352	0.95	919,417	0.83
3001 - 4000	109	0.35	397,845	0.36	152	0.41	549,024	0.50
4001 - 5000	140	0.45	672,702	0.61	187	0.51	904,811	0.82
5001 - 10000	169	0.55	1,238,392	1.12	200	0.54	1,549,319	1.41
10001 and above	152	0.49	98,329,182	89.39	213	0.58	95,510,359	86.83
Total	31,017	100.00	110,000,000	100.00	36,897	100.00	110,000,000	100.00

17. Categories of Shareholding as on 31 March:

Category	2011			2010		
	No. of shareholders	No. of shares held	% shareholding	No. of shareholders	No. of shares held	% shareholding
Promoters	8*	81,400,000	74.00	8*	80,000,000	72.73
Persons acting in concert	-	-	-	-	-	-
Mutual Funds	-	-	-	1	372,271	0.34
Banks and Financial Institutions	3	40,681	0.04	2	1,501	0.00
FII's	1	4,998,087	4.54	4	5,994,931	5.45
NRIs	555	672,627	0.61	645	754,721	0.69
Bodies Corporate	488	6,747,698	6.13	702	5,536,824	5.03
Indian Public	29,962	16,140,907	14.68	35,535	17,339,752	15.76
Total	31,017	110,000,000	100.00	36,897	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 2011.
- 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. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on Equity** : **Stock Options**
In terms of the resolution passed by the Members in the Annual General Meeting on 17 August 2010, the Company has granted 900,000 Options to the specified employees of the Company and its subsidiary, VISA BAO Limited at an exercise price of Rs. 46.30 under the Employee Stock Option Scheme (ESOP Scheme 2010). As on 31 March 2011, none of the Options have been vested. The shares covered by such Options are 900,000.
- 21. Plant Locations** :
- | | |
|--|---|
| <p>Kalinganagar Industrial Complex
At/P.O. Jakhapura,
Dist. Jajpur,
Orissa 755 019
Tel: + 91 6726 242441
Fax: + 91 6726 242442</p> | <p>Village Golagaon,
Near Duburi,
P.O.Pankapal, Dist.Jajpur,
Orissa
Tel: + 91 6726 245470
Fax: + 91 6726 245561</p> |
|--|---|
- 22. Investor Correspondence** : The Company Secretary,
VISA Steel Limited
VISA House, 8/10, Alipore Road,
Kolkata 700 027
Tel: + 91 33 3011 9000
Fax: + 91 33 3011 9002
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 2011, 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.

The composition of Board of Directors as regards the number of Independent Directors, as required under Clause 49(IA)(ii) of the Listing Agreement could not be maintained from 17 August 2010 to 28 January 2011 for the reason stated in note no. 3 on the composition of the Board in the report on Corporate Governance. The composition of the Board of Directors of the Company as on 31 March 2011 is in compliance with the requirements of the Clause 49 (IA) of the Listing Agreement.

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 subject to our remarks in preceding paragraph 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.

Partha Mitra

Partner

Membership No. 50553

For and on behalf of

Lovelock & Lewes

Firm Registration Number: 301056E

Chartered Accountants

Place: Kolkata

Date: 30 May 2011