

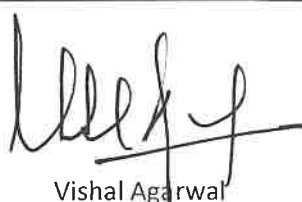


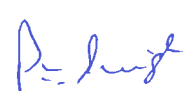
**Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2019,**

**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Standalone basis)**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1	Turnover / Total income	81,532.50	81,532.50
	2	Total Expenditure	89,680.67	104,335.31
	3	Net Profit/(Loss)	(6,616.26)	(21,270.90)
	4	Earnings Per Share	(5.71)	(18.37)
	5	Total Assets	188,145.97	188,145.97
	6	Total Liabilities	176,080.80	220,855.18
	7	Net Worth	12,065.17	(32,709.21)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

- II. Audit Qualification (each audit qualification separately):**
- a. Details of Audit Qualification: As per Annexure A
- b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
- c. Frequency of qualification: since how long continuing - FY 2017
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As per Annexure A
- e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable
- (i) Management's estimation on the impact of audit qualification:
- (ii) If management is unable to estimate the impact, reasons for the same:
- (iii) Auditors' Comments on (i) or (ii) above:





**III. Signatories:**

• Managing Director	 Vishal Agarwal
• CFO	 Ranjan Jindal
• Audit Committee Chairperson	 Rupanjana De
• Statutory Auditor	For Singhi & Co. Firm Registration Number:302049E Chartered Accountants  Pradeep Kumar Singhi Partner Membership Number 50773

Place: Kolkata

Date: 18 October 2019

# Annexure – A

Sl. No	Details of Audit Qualification (s)	Management's Views	
1	<p>Auditors in their Standalone Audit Report has stated that:</p> <p><b>Basis of Qualified Opinion</b></p> <p>We draw attention to Note 4 of the accompanying statement with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on March 31, 2019 is Rs.44,774.38 lakh (including Rs.14,596.89 lakh for FY 2016-17, Rs.15,522.85 lakh for FY 2017-18, Rs.3,513.67 lakh and Rs.14,654.64 for the quarter and year ended March 31, 2019 respectively) which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.</p> <p>Had the aforesaid interest expense been recognized, finance cost for the quarter and year ended March 31, 2019 would have been Rs.3,587.95 lakh and Rs.15,966.89 lakh instead of the reported amount of Rs.74.28 lakh and Rs.1,312.25 lakh respectively. Total expenses for the quarter and year ended March 31, 2019 would have been Rs.22,796.10 lakh and Rs.104,335.31 lakh instead of the reported amount of Rs.19,282.43 lakh and Rs.89,680.67 lakh. Net loss after tax for the quarter and year ended March 31, 2019 would have been Rs.5,372.53 lakh and Rs.21,270.90 lakh instead of the reported amount of Rs.1,858.86 lakh and Rs.6,616.26 lakh. Total Comprehensive Income for the quarter and year ended March 31, 2019 would have been Rs.(5,384.33) lakh and Rs.(21,282.70) lakh instead of the reported amount of Rs.(1,870.66) lakh and Rs.(6,628.06) lakh, other equity would have been Rs.(44,288.17) lakh against reported Rs. 486.22 lakh, other current financial liability would have been Rs.135,520.93 lakh instead of reported amount of Rs.90,746.55 lakhs and Loss per share for the quarter and year ended March 31, 2019 would have been Rs.4.64 and Rs.18.37 instead of the reported amount of Rs.1.61 and Rs.5.71.</p> <p>The above reported interest has been calculated using Simple Interest rate.</p>	<p>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. 3,513.67 Lakhs for the quarter ended 31 March 2019 and the accumulated interest not provided as on 31 March 2019 is estimated at Rs. 44,774.38 Lakhs. The statutory auditors have qualified their Audit Report in respect of this matter.</p>	
			<p>For Singhi &amp; Co. Firm Registration Number: 302049E Chartered Accountants</p> 
Vishal Agarwal Managing Director	Ranjan Jindal Chief Financial Officer	Rupanjana De Chairperson, Audit Committee	Pradeep Kumar Singhi Partner Membership Number 50773

**Independent Auditor's Report on the Standalone Financial Results of VISA Steel Limited pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.**

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

1. This report supersedes our earlier report dated May 16, 2019 addressed to the Board of Directors of VISA Steel Limited.
2. We have audited the accompanying standalone financial results of **VISA Steel Limited** ("transferor Company" or "the Company") for the year ended March 31, 2019 together with notes thereon (herein after referred to as 'the Statement'), prepared after giving the impact of Scheme of Arrangement sanctioned by National Company Law Tribunal vide Order dated July 8, 2019, for transfer of its Special Steel business into **VISA Special Steel Limited**, ("wholly owned step down subsidiary" or "transferee Company"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and has been initialed by us for identification purpose. Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and year to date figures upto the end of the third quarter of the current and previous financial year respectively. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

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

3. The Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement.

**Auditor's Responsibility**

4. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Basis of Qualified Opinion**

5. We draw attention to Note 4 of the accompanying statement with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on March 31, 2019 is Rs.44,774.38 lakh (including Rs.14,596.89 lakh for FY 2016-17, Rs.15,522.85 lakh for FY 2017-18, Rs.3,513.67 lakh and Rs.14,654.64 for the quarter and year ended March 31, 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 year ended March 31, 2019 would have been Rs.3,587.95 lakh and Rs.15,966.89 lakh instead of the reported amount of Rs.74.28 lakh and Rs.1,312.25 lakh respectively. Total expenses for the quarter and year ended March 31, 2019 would have been Rs.22,796.10 lakh and Rs.104,335.31 lakh instead of the reported amount of Rs.19,282.43 lakh and Rs.89,680.67 lakh. Net loss after tax for the quarter and year ended March 31, 2019 would have been Rs.5,372.53 lakh and Rs.21,270.90 lakh instead of the reported amount of Rs.1,858.86 lakh and Rs.6,616.26 lakh. Total Comprehensive Income for the quarter and year ended March 31, 2019 would have been Rs.(5,384.33) lakh and Rs.(21,282.70) lakh instead of the reported amount of Rs.(1,870.67) lakh and Rs.(6,628.06) lakh, other equity would have been Rs.(44,288.17) lakh against reported Rs. 486.22, other current financial liability would have been Rs.135,520.93 lakh instead of reported amount of Rs.90,746.55 lakhs and Loss per share for the quarter and year ended March 31, 2019 would have been Rs.4.64 and Rs.18.37 instead of the reported amount of Rs.1.61 and Rs.5.71.

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

**Qualified Opinion**

6. In our opinion and to the best of our information and according to the explanation given to us, except for the matter as described in the Basis of Qualified opinion paragraph above, these year to date results:
- a) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - b) give true and fair view of the financial performance including other comprehensive income and other financial information for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

**Emphasis of Matter**

7. We draw your attention to the following matters:

**(a) Material Uncertainty Relating to Going Concern**

Note 3 to the statement regarding the preparation of the statement on going concern basis, for the reason stated therein. The Company has accumulated losses and has also incurred losses during the quarter and year ended March 31, 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 stating the reason for revision of the financial statement-** 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 business 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.

The financial statements of the Company for the year ended March 31, 2019 were earlier approved by the Board of Directors at their meeting held on May 16, 2019 and were audited by us and our report dated May 16, 2019, addressed to the Members of the Company, expressed a qualified opinion on those financial statements. These financial statements were not issued to the shareholder for their approval. Consequent to the Company obtaining the required order and approvals, the aforesaid financial statements are revised by the Company to give effect of the said Scheme. Further the figures for the previous years have also been restated and the cumulative impact of the scheme has been given on April 1, 2017. We further report that, our audit procedures on the subsequent events in so far as it relates to the revision to the Statements (as amended) are restricted solely to the aforesaid matter relating to the Scheme and no effect have been given for any other events, if any, occurring after May 16, 2019 (being the date on which the Statements were first approved by the Board of Directors of the Company and reported upon by us by our report of that date).

Our opinion is not qualified in respect of above matters.

**Other Matter**

8. The erstwhile auditor has audited the financial statement of the Company for the years ending on March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and have issued unmodified opinion for the year March 31, 2016 and have issued a qualified opinion for the year ended March 31, 2014, March 31, 2015, March 31, 2017. The above audited financial statement have been relied by us for giving impact of the scheme effective April 1, 2013.
9. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This Statement is based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2019 on which we issued a qualified audit opinion vide our report dated October 18, 2019.

Our opinion is not qualified in respect of above matters.

**Restriction on Use**

10. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used by any other party for any other purpose.



Place: Kolkata

Dated: October 18, 2019

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

**(Pradeep Kumar Singhi)**

Partner

Membership No. 050773

UDIN:19050773AAAAAE9635

# 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)

### Statement of Standalone Audited/Unaudited Financial Results for the Quarter and Year ended 31 March 2019

(Rs in Lakhs Except EPS)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 March	31 December	31 March	31 March	31 March
		2019	2018	2018	2019	2018
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue From operations	17,262.38	19,195.61	27,891.41	81,532.50	86,326.36
II	Other Income	161.19	411.71	71.70	1,531.91	1,982.95
III	<b>Total Income (I +II)</b>	<b>17,423.57</b>	<b>19,607.32</b>	<b>27,963.11</b>	<b>83,064.41</b>	<b>88,309.31</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	9,908.07	13,648.21	16,441.29	50,475.48	49,482.18
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	1,477.78	(246.89)	(628.37)	1,642.84	(28.09)
	Excise Duty	-	-	58.91	-	454.65
	Employee benefit expense	1,000.71	908.72	784.42	3,476.53	3,185.57
	Finance costs	74.28	425.06	160.32	1,312.25	1,266.94
	Depreciation and amortization expense	1,121.84	1,147.33	1,123.02	4,554.12	4,924.22
	Other expenses	5,699.75	6,890.22	11,851.83	28,219.45	31,782.81
	<b>Total expenses (IV)</b>	<b>19,282.43</b>	<b>22,772.65</b>	<b>29,791.42</b>	<b>89,680.67</b>	<b>91,068.28</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>(1,858.86)</b>	<b>(3,165.33)</b>	<b>(1,828.31)</b>	<b>(6,616.26)</b>	<b>(2,758.97)</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>	<b>(1,858.86)</b>	<b>(3,165.33)</b>	<b>(1,828.31)</b>	<b>(6,616.26)</b>	<b>(2,758.97)</b>
VIII	Tax Expenses	-	-	-	-	-
IX	<b>Profit /(Loss) for the period (VII-VIII)</b>	<b>(1,858.86)</b>	<b>(3,165.33)</b>	<b>(1,828.31)</b>	<b>(6,616.26)</b>	<b>(2,758.97)</b>
X	Other comprehensive income					
	A (i) Items that will not be reclassified to profit or loss	(11.80)	4.88	37.02	(11.80)	19.50
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>(1,870.66)</b>	<b>(3,160.45)</b>	<b>(1,791.29)</b>	<b>(6,628.06)</b>	<b>(2,739.47)</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
XIII	Other Equity	-	-	-	486.22	7,114.79
XIV	<b>Earnings per equity share (of Rs.10/- each)</b>					
	1) Basic	(1.61)	(2.73)	(1.58)	(5.71)	(2.38)
	2) Diluted	(1.61)	(2.73)	(1.58)	(5.71)	(2.38)



# VISA STEEL

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

### Statement of Standalone Assets and Liabilities as at 31 March 2019

Particulars	(Rs. In Lakhs)	
	As at	As at
	31 March	31 March
	2019	2018
	Audited	Audited
<b>ASSETS</b>		
<b>1) Non-current Assets</b>		
(a) Property, Plant and Equipment	109,085.83	113,809.72
(b) Capital work-in-progress	29,713.60	29,639.27
(c) Intangible Assets	16.46	20.46
(d) Financial Assets		
(i) Investments	429.34	518.30
(ii) Loans	770.54	2,886.09
(iii) Other Financial Assets	-	181.30
(e) Deferred Tax Assets (Net)	-	-
(f) Other Non current Assets	27.89	208.94
	<b>140,043.66</b>	<b>147,264.08</b>
<b>2) Current Assets</b>		
(a) Inventories	6,344.37	7,256.64
(b) Financial Assets		
(i) Trade receivables	1,755.41	3,924.83
(ii) Cash and cash equivalents	84.95	1,664.50
(iii) Bank balances [Other than (ii) above]	365.77	288.30
(iv) Loans	247.37	82.00
(v) Others Financial Assets	44.18	70.50
(c) Current Tax Assets (Net)	1,144.91	1,086.51
(d) Other current Assets	38,115.35	38,860.47
	<b>48,102.31</b>	<b>53,233.75</b>
<b>Total Assets</b>	<b>188,145.97</b>	<b>200,497.83</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	11,578.95	11,579.00
(b) Other Equity	486.22	7,114.79
	<b>12,065.17</b>	<b>18,693.79</b>
<b>LIABILITIES</b>		
<b>1) Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	43,324.49	60,555.38
(b) Provisions	261.47	239.11
	<b>43,585.96</b>	<b>60,794.49</b>
<b>2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	29,444.73	32,037.64
(ii) Trade Payables		
- total outstanding dues of micro and small enterprise	0.02	268.20
- total outstanding dues of creditors other than micro and small enterprise	6,971.41	3,604.78
(iii) Other financial liabilities	90,746.55	78,839.80
(b) Other current liabilities	5,218.51	6,205.92
(c) Provisions	113.62	53.21
<b>Current Liabilities</b>	<b>132,494.84</b>	<b>121,009.55</b>
<b>Total Equity and Liabilities</b>	<b>188,145.97</b>	<b>200,497.83</b>



# VISA STEEL

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

### Notes :

- 1 Pursuant to the sanctioning of the Scheme of Arrangement between VISA Steel Limited (the Company) and VISA Special Steel Limited (VSSL) filed under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (the Scheme) by National Company Law Tribunal, Cuttack Bench (NCLT) vide its order dated 8 July 2019, the Special Steel undertaking of the Company stands transferred to and vested in VSSL, a wholly owned step down subsidiary of the Company with effect from the appointed date of 1 April 2013. Consequently, total Assets and total Liabilities worth 182,902.16 Lakhs each stands transferred from the Company to VSSL at nil consideration as on 1 April 2013. The above results do not include profit/(loss) from Special Steel undertaking of the Company, details of which are as under:

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2019	31-12-2018	31-03-2018	31-03-2019	31-03-2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income from Operations (Net)	13,446.66	18,332.28	17,895.58	61,947.47	79,831.27
2	Profit/(Loss) from ordinary activities before tax	(2,106.69)	(2,202.81)	(898.06)	(9,550.40)	(11,802.79)
3	Profit/(Loss) from ordinary activities after tax	(2,106.69)	(2,202.81)	(898.06)	(9,550.40)	(11,802.79)

(Rs in Lakhs)

The effective date of the Scheme is 13 July 2019, the date on which certified copy of the order sanctioning the said scheme is filed with the Registrar of Companies, Cuttack. The Scheme was pending sanction of NCLT as on 16 May 2019, the date on which Company's financial statements were approved by the Board of Directors. Consequent to the Scheme being sanctioned, the financial results of current periods and previous periods have been revised/restated to give effect to the Scheme. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 October 2019. Meanwhile, the ROC, Cuttack has granted extension upto 31 December 2019 for holding the AGM of the Company for the financial year ended 31 March 2019.

- 2 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".
- 3 The Company has incurred net loss during the quarter and year ended 31 March 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. State Bank of India 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. 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 opinion in their Audit Report.
- 4 The majority of lenders have stopped charging interest on debts, since the dues from the Company have been categorised as Non-Performing Asset. The amount of interest expenses not provided for is estimated at Rs. 14,654.64 Lakhs for the year ended 31 March 2019 and the accumulated interest not provided as on 31 March 2019 is estimated at Rs. 44,774.38 Lakhs. The statutory auditors have qualified their Audit Report in respect of this matter.
- 5 Subsequent to introduction of Goods and Service Tax (GST) w.e.f. July 1, 2017, Revenue is required to be disclosed net of GST. Accordingly, the figures of Revenue from operation for the financial year ended 31 March 2019 is not comparable with the figures of financial year ended 31 March 2018.
- 6 Ind AS 115 on Revenue from contracts with customers is mandatory for reporting periods starting 1 April 2018. The application of IND AS 115 did not have any impact on recognition and measurement of revenue and related items in the financial results.
- 7 The figures for the last quarter of the current year and for the previous year are the balancing figures between the audited figures in respect of full financial year ended 31 March and the unaudited published figures up to third quarter ended 31 December.
- 8 Previous periods figures have been regrouped / rearranged wherever necessary.


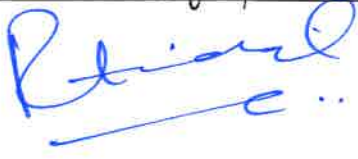


Date: 18 October 2019  
Place: Kolkata







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



**Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2019,**  
**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Consolidated basis)**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1	Turnover / Total income	141,675.91	141,675.91
	2	Total Expenditure	159,435.66	196,108.34
	3	Net Profit/(Loss)	(16,163.32)	(52,836.00)
	4	Earnings Per Share	(13.96)	(45.63)
	5	Total Assets	329,976.48	329,976.48
	6	Total Liabilities	425,501.52	539,329.30
	7	Net Worth	(95,525.04)	(209,352.82)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<b>Audit Qualification (each audit qualification separately):</b> a. <b>Details of Audit Qualification:</b> As per Annexure A b. <b>Type of Audit Qualification :</b> Qualified Opinion / <del>Disclaimer of Opinion</del> / Adverse Opinion c. <b>Frequency of qualification:</b> since how long continuing - FY 2017 d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> As per Annexure A  e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b> Not Applicable (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:			
III.	<b>Signatories:</b>			
	• Managing Director		 Vishal Agarwal	
	• CFO		 Ranjan Jindal	
	• Audit Committee Chairperson		 Rupanjana De	
	• Statutory Auditor		For Singhi & Co. Firm Registration Number:302049E Chartered Accountants  Pradeep Kumar Singhi Partner Membership Number 50773	
Place: Kolkata Date: 18 October 2019				

# Annexure – A

Sl. No	Details of Audit Qualification (s)			Management's Views
1	<p>Auditors in their Consolidated Audit Report has stated that:</p> <p><b>Basis of Qualified Opinion</b></p> <p>We draw attention to Note 5 of the accompanying CFS statement with regard to non-recognition of interest expense on the borrowings of the Holding Company and its subsidiary. The accumulated interest not provided as on March 31, 2019 is Rs.113,827.78 lakh (including Rs.38,409.60 lakh for FY 2016-17, Rs.38,745.50 lakh for FY 2017-18, and Rs.36,672.68 lakh for the year ended March 31, 2019 respectively) which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.</p> <p>Had the aforesaid interest expense been recognized, finance cost for the year ended March 31, 2019 would have been Rs.38,539.03 lakh instead of the reported amount of Rs.1,866.35 lakh. Total expenses for the year ended March 31, 2019 would have been Rs.196,108.34 lakh instead of the reported amount of Rs.159,435.66 lakh. Net loss after tax for the year ended March 31, 2019 would have been Rs.52,836 lakh instead of the reported amount of Rs.16,163.32 lakh. Total Comprehensive Income for the year ended March 31, 2019 would have been Rs.(52,847.80) lakh instead of the reported amount of Rs.(16,175.12) lakh, other equity would have been Rs.(220,931.77) lakh against reported Rs.(107,103.99), other current financial liability would have been Rs.336,274.06 lakh instead of reported amount of Rs.222,446.28 lakh and Loss per share for the year ended March 31, 2019 would have been Rs.45.63 instead of the reported amount of Rs.13.96</p> <p>The above reported interest has been calculated using Simple Interest rate.</p>			<p>The majority of lenders of the Company and VSSL have stopped charging interest on debts, since the dues from the Company and VSSL have been categorised as Non-Performing Asset. The amount of interest expenses not provided for the year ended 31 March 2019 is estimated at Rs. 36,672.68 Lakhs and the accumulated interest not provided as on 31 March 2019 is estimated at Rs. 1,13,827.78 Lakhs. The statutory auditors have qualified their Audit Report in respect of this matter.</p>
 <p>Vishal Agarwal Managing Director</p>		 <p>Ranjan Jindal Chief Financial Officer</p>	 <p>Rupanjana De Chairperson, Audit Committee</p>	<p>For Singhi &amp; Co. Firm Registration Number: 302049E Chartered Accountants</p>  <p>Pradeep Kumar Singhi Partner Membership Number 50773</p>

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

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

1. This report supersedes our earlier report dated May 16, 2019 addressed to the Board of Directors of VISA Steel Limited.
2. We have audited the accompanying statement of consolidated financial results of **VISA Steel Limited** (hereinafter referred to as the "transferor Company" or "Holding Company"), its Subsidiaries (collectively referred to as "the Group") and its Joint Venture for the year ended March 31, 2019 together with notes thereon (herein after referred to as 'the CFS Statement'), prepared after giving the impact of Scheme of Arrangement sanctioned by National Company Law Tribunal vide Order dated July 8, 2019, for transfer of its Special Steel business into **VISA Special Steel Limited** ("wholly owned step down subsidiary" or "the transferee Company"), attached herewith, pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and has been initialed by us for identification purpose.

**Management's Responsibility for the Consolidated Financial Results**

3. The Management of the Holding Company is responsible for the preparation of the accompanying CFS Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above CFS Statement containing the annual audited consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement.

**Auditor's Responsibility**

4. Our responsibility is to express an opinion on the CFS Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the CFS Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the CFS Statement. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the CFS Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Basis of qualified opinion**

5. We draw attention to Note 5 of the accompanying CFS statement with regard to non-recognition of interest expense on the borrowings of the Holding Company and its subsidiary. The accumulated interest not provided as on March 31, 2019 is Rs.113,827.78 lakh (including Rs.38,409.60 lakh for FY 2016-17, Rs.38,745.50 lakh for FY 2017-18, and Rs.36,672.68 lakh for the year ended March 31, 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 year ended March 31, 2019 would have been Rs.38,539.03 lakh instead of the reported amount of Rs.1,866.35 lakh. Total expenses for the year ended March 31, 2019 would have been Rs.196,108.34 lakh instead of the reported amount of Rs.159,435.66 lakh. Net loss after tax for the year ended March 31, 2019 would have been Rs.52,836 lakh instead of the reported amount of Rs.16,163.32 lakh. Total Comprehensive Income for the year ended March 31, 2019 would have been Rs.(52,847.80) lakh instead of the reported amount of Rs.(16,175.12) lakh, other equity would have been Rs.(220,931.77) lakh against reported Rs.(107,103.99), other current financial liability would have been Rs.336,274.06 lakh instead of reported amount of Rs.222,446.28 lakh and Loss per share for the year ended March 31, 2019 would have been Rs.45.63 instead of the reported amount of Rs.13.96

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

**Qualified opinion**

6. In our opinion and to the best of our information and according to the explanation given to us and based on consideration of reports of other auditors on separate financial statements of the subsidiaries, except for the matter as described in the Basis of Qualified opinion paragraph above, these annual CFS Statement:
- includes the financial results of entities given below:  
List of Subsidiaries: - Kalinganagar Special Steel Private Limited and its wholly owned subsidiary VISA Ferro Chrome Limited (including its wholly owned subsidiary VISA Special Steel Limited post demerger of Special Steel division of VISA Steel Limited into it), Kalinganagar Chrome Private Limited.  
List of Joint Venture: - VISA Urban Infra Limited
  - are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - give a true and fair view of the total consolidated financial results, including other comprehensive income and other financial information of the Group and its Joint venture for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

**7. Emphasis of Matter –**

**We draw your attention to the following matters:**

- a) **Material Uncertainty Relating to Going Concern** - Refer Note 4 to the CFS Statement regarding the preparation of the CFS Statement on going concern basis, for the reason stated therein. The Holding Company and its subsidiaries (the Group) has accumulated losses and has also incurred losses during the quarter and year ended March 31, 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) **Refer Note – 1 to the CFS Statement stating the reason for revision of the financial statement-** 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 division 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.

The consolidated financial statements of the Company for the year ended March 31, 2019 were earlier approved by the Board of Directors at their meeting held on May 16, 2019 and were audited by us and our report dated May 16, 2019, addressed to the Members of the Company, expressed a qualified opinion on those consolidated financial statements. These consolidated financial statements were not issued to the shareholder for their approval. Consequent to the Holding Company obtaining the required order and approvals, the aforesaid financial statements are revised by the Holding Company to give effect to the said Scheme. Further the figures for the previous years have also been restated and the cumulative impact of the scheme has been given on April 1, 2017. We further report that, our audit procedures on the subsequent events in so far as it relates to the revision to the Consolidated Financial Statements (as amended) are restricted solely to the aforesaid matter relating to the Scheme and no effect have been given for any other events, if any, occurring after May 16, 2019 (being the date on which the Consolidated Financial Statements were first approved by the Board of Directors of the Company and reported upon by us by our report of that date).

Our opinion on the statement is not qualified in respect of the above matters.

**Other Matters.**

8. We did not audit the financial statements / financial information of two subsidiaries whose financial statements / consolidated financial statements / financial information reflect total assets of Rs.179,344.37 Lakh and net assets of Rs. (102,762.86) Lakh as at March 31, 2019, total revenue of Rs.61,205.60 lakhs, total comprehensive income of Rs. (9,351.81) Lakh (comprising loss and other comprehensive income) as considered in the statement. The statement also includes the Group's share of net loss of Rs.1.17 Lakh for the year ended March 31, 2019, in respect of one joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, are based solely on the report of other auditors.

Our opinion on the statement is not qualified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the financial statements / consolidated financial statements certified by the management.

9. The erstwhile auditor has audited the consolidated financial statement of the Company for the years ending on March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and have issued unmodified opinion for the year March 31, 2016 and have issued a qualified opinion for the year ended March 31, 2014, March 31, 2015, March 31, 2017. The above audited consolidated financial statement have been relied by us for giving impact of the scheme effective April 1, 2013.



10. The CFS Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This CFS Statement is based on and should be read with the audited consolidated financial statements of the Company for the year ended March 31, 2019 on which we issued a qualified audit opinion vide our report dated October 18, 2019.

Our opinion on the statement is not qualified in respect of the above matters.

**Restriction on Use**

11. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 10 above. This report should not be otherwise used by any other party for any other purpose.

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



**(Pradeep Kumar Singhi)**  
Partner

Membership No. 050773  
UDIN:19050773AAAAAF4266



Place: Kolkata  
Dated: October 18, 2019

# 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

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

### Statement of Consolidated Audited Financial Results for the Year Ended 31 March 2019

Sl. No.	Particulars	(Rs. In Lakhs except EPS)	
		Year Ended	
		31 March	31 March
		2019	2018
		Audited	Audited
I	Revenue from operations	141,675.91	209,977.22
II	Other Income	1,597.60	5,527.63
III	<b>Total Income [I+II]</b>	<b>143,273.51</b>	<b>215,504.85</b>
IV	<b>Expenses</b>		
(a)	Cost of materials consumed	103,266.91	143,862.54
(b)	Purchases of stock-in-trade	143.54	219.70
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,191.31	7,370.31
(d)	Excise duty	-	3,294.93
(e)	Employee benefits expense	6,745.19	8,348.65
(f)	Finance costs	1,866.35	3,390.55
(g)	Depreciation and amortisation expense	13,339.58	15,058.28
(h)	Other expenses	31,882.78	42,931.03
	<b>Total expenses</b>	<b>159,435.66</b>	<b>224,475.99</b>
V	<b>Profit / (Loss) before exceptional items and share of net profit of investment accounted using equity method of tax (III-IV)</b>	<b>(16,162.15)</b>	<b>(8,971.14)</b>
VI	Share of net profit of Investments accounted using Equity Method and tax	(1.17)	1.24
VII	<b>Profit / (Loss) before exceptional items and tax (V+VI)</b>	<b>(16,163.32)</b>	<b>(8,969.90)</b>
VIII	Exceptional Items	-	-
IX	<b>Profit / (Loss) before tax (VII-VIII)</b>	<b>(16,163.32)</b>	<b>(8,969.90)</b>
X	Tax expense	-	-
XI	<b>Net Profit / (Loss) for the period (IX-X)</b>	<b>(16,163.32)</b>	<b>(8,969.90)</b>
XII	Other Comprehensive Income, Net of Income Tax		
A.	Items that will not be reclassified to Profit or Loss	(11.80)	24.73
B.	Items that will be reclassified to Profit or Loss	-	-
XIII	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>(16,175.12)</b>	<b>(8,945.17)</b>
XIV	<b>Total Profit/(loss) for the year attributable to</b>		
	Owners of the Company	(16,163.32)	(8,754.68)
	Non Controlling Interest	-	(215.22)
XV	<b>Other comprehensive income</b>		
	Owners of the Company	(11.80)	22.27
	Non Controlling Interest	-	2.46
XVI	<b>Total Comprehensive Income/(loss) for the year attributable to</b>		
	Owners of the Company	(16,175.12)	(8,732.41)
	Non Controlling Interest	-	(212.76)
XVII	Paid-up equity share capital (face value of Rs.10/- each)	11,578.95	11,578.95
XVIII	Other Equity	(107,103.99)	(90,914.50)
XIX	<b>Earnings Per Share (of Rs.10/-each)</b>		
(a)	Basic	(13.96)	(7.97)
(b)	Diluted	(13.96)	(7.97)



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

**For the Year Ended 31 March 2019 (Refer Note 3 below)**

(Rs. In Lakhs)

Sl. No.	Particulars	Year Ended	
		31 March	31 March
		2019	2018
		Audited	Audited
1)	<b>Segment Revenue</b>		
	a) Special Steel	61,947.47	79,831.27
	b) Ferro Alloys	81,532.50	86,326.36
	c) Coke	-	46,822.02
	<b>Total</b>	<b>143,479.97</b>	<b>212,979.65</b>
	Less: Inter-Segment Revenue	1,804.06	3,002.43
	<b>Net Sales / Income From Operations</b>	<b>141,675.91</b>	<b>209,977.22</b>
2)	<b>Segment Results</b>		
	Profit / (Loss) before tax and interest from Each segment		
	a) Special Steel	(8,797.69)	(9,082.60)
	b) Ferro Alloys	(5,499.28)	1,683.84
	c) Coke	-	1,819.41
	<b>Total</b>	<b>(14,296.97)</b>	<b>(5,579.35)</b>
	Less: i) Finance Cost	1,866.35	3,390.55
	<b>Total Profit / (Loss) Before Tax</b>	<b>(16,163.32)</b>	<b>(8,969.90)</b>
3)	<b>Segment Assets</b>		
	a) Special Steel	179,339.20	191,002.73
	b) Ferro Alloys	150,637.28	164,296.88
	<b>Total Assets</b>	<b>329,976.48</b>	<b>355,299.61</b>
4)	<b>Segment Liabilities</b>		
	a) Special Steel	11,579.89	14,295.00
	b) Ferro Alloys	19,205.75	19,810.43
	c) Unallocated	394,715.88	400,519.30
	<b>Total Liabilities</b>	<b>425,501.52</b>	<b>434,624.73</b>






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### Consolidated Statement of Assets and Liabilities as at 31 March 2019

(Rs. In Lakhs)

Particulars	As at	As at
	31 March	31 March
	2019	2018
	Audited	Audited
<b>A ASSETS</b>		
<b>1) Non-Current Assets</b>		
(a) Property, plant and equipment	280,399.50	293,312.01
(b) Capital work-in-progress	29,713.59	29,948.61
(c) Other intangible assets	17.40	21.40
(d) Financial Assets		
i. Investments	418.20	419.39
ii. Loans	777.14	1,161.30
iii. Other Financial assets	-	181.30
(e) Deferred tax assets (net)	-	-
(f) Other non-current assets	45.60	276.59
	<b>311,371.43</b>	<b>325,320.60</b>
<b>2) Current assets</b>		
(a) Inventories	10,207.95	12,149.70
(b) Financial assets		
i. Trade receivables	3,322.13	6,658.20
ii. Cash and cash equivalents	87.99	1,668.17
iii. Bank balances other than (ii) above	365.77	297.78
iv. Loans	247.37	1,943.90
v. Other financial assets	44.18	53.20
(c) Current tax assets (net)	1,250.07	1,186.90
(d) Other current assets	3,079.59	6,021.16
	<b>18,605.05</b>	<b>29,979.01</b>
<b>TOTAL ASSETS</b>	<b>329,976.48</b>	<b>355,299.61</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1) Equity</b>		
(a) Equity share capital	11,578.95	11,578.95
(b) Other Equity	(107,103.99)	(90,914.45)
(c) Non-controlling interest	-	10.38
	<b>(95,525.04)</b>	<b>(79,325.12)</b>
<b>2) Non-current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	103,028.05	147,599.70
(b) Provision	403.61	430.90
	<b>103,431.66</b>	<b>148,030.60</b>
<b>3) Current liabilities</b>		
(a) Financial liabilities		
i. Borrowings	78,619.45	82,236.69
ii. Trade payables		
- total outstanding dues of micro and small enterprise	156.88	268.20
- total outstanding dues of creditors other than micro and small enterprise	11,179.81	11,971.23
iii. Other financial liabilities	222,446.28	183,005.11
(b) Other current liabilities	9,492.02	9,016.90
(c) Current Tax Liabilities	-	0.10
(d) Provisions	175.42	95.90
	<b>322,069.86</b>	<b>286,594.13</b>
<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>329,976.48</b>	<b>355,299.61</b>



# VISA STEEL

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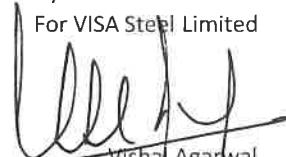
Email ID for registering Investor Grievances: [cs@visasteel.com](mailto:cs@visasteel.com)

## Notes:

- 1 Pursuant to the sanctioning of the Scheme of Arrangement between VISA Steel Limited (the Company) and VISA Special Steel Limited (VSSL) filed under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (the Scheme) by National Company Law Tribunal, Cuttack Bench (NCLT) vide its order dated 8 July 2019, the Special Steel undertaking of the Company stands transferred to and vested in VSSL, a wholly owned step down subsidiary of the Company with effect from the appointed date of 1 April 2013. The effective date of the Scheme is 13 July 2019, the date on which certified copy of the order sanctioning the said scheme is filed with the Registrar of Companies, Cuttack. The Scheme was pending sanction of NCLT as on 16 May 2019, the date on which Company's financial statements were approved by the Board of Directors. Consequent to the Scheme being sanctioned, the financial results of current periods and previous periods have been revised/restated to give effect to the Scheme. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 October 2019. Meanwhile, the ROC, Cuttack has granted extension upto 31 December 2019 for holding the AGM of the Company for the financial year ended 31 March 2019.
- 2 As on 31 March 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. During the year, National Company Law Tribunal, Kolkata Bench has passed an order dated 22 February 2019 for dissolution of Ghotaringa Minerals Limited (GML), a subsidiary Company. Hence, the aforesaid financial results do not include Assets/Liabilities of GML as on 31 March 2019. Impact of dissolution of GML amounting to Rs. 5.05 lakhs has been considered in accordance with IND AS 110.
- 3 VISA Steel group has identified business segments namely "Special Steel" and "Ferro Alloys" and has disclosed segment information accordingly.
- 4 The VISA Steel group has incurred net loss during the year ended 31 March 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. State Bank of India 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. 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 opinion in their Audit Report.
- 5 The majority of lenders of the Company and VSSL 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 year ended 31 March 2019 is estimated at Rs. 36,672.68 Lakhs and the accumulated interest not provided as on 31 March 2019 is estimated at Rs. 1,13,827.78 Lakhs. The statutory auditors have qualified their Audit Report in respect of this matter.
- 6 Subsequent to introduction of Goods and Service Tax (GST) w.e.f. July 1, 2017, Revenue is required to be disclosed net of GST. Accordingly, the figures of Revenue from operation for the financial year ended 31 March 2019 is not comparable with the figures of financial year ended 31 March 2018.
- 7 Ind AS 115 on Revenue from contracts with customers is mandatory for reporting periods starting 1 April 2018. The application of IND AS 115 did not have any impact on recognition and measurement of revenue and related items in the financial results.
- 8 Previous periods figures have been regrouped / rearranged wherever necessary.

Date: 18 October 2019  
Place: Kolkata



By Order of the Board  
For VISA Steel Limited  
  
Vishal Agarwal  
Vice Chairman & Managing Director  
DIN 00121539