VISA STEEL

ANNUAL REPORT 2021-22

Vision

Create long term stakeholder value through value addition of natural resources

Core Values

TRANSPARENCY
We are transparent and honest in our profession to all our stakeholders

TEAM WORK
We work together as a team to benefit from our complementary strengths

PASSION
We are passionately committed to delivering excellence in performance

ATTITUDE
We demonstrate ownership in our attitude to create sustainable value for shareholders

GOVERNANCE
We are committed to best standards of safety, corporate social responsibility and corporate governance

FORWARD-LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements, both written and oral, that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Content

LISTING

Your Company has been listed on National Stock Exchange of India Limited and BSE Limited

CHAIRMAN'S INSIGHT

Vishambhar Saran
Chairman

"The operational performance and margins of your Company have improved, inspite of non-availability of working capital for operations, and challenges due to other external factors

Dear Shareholders,

For the year ended 31 March 2022, your Company's consolidated Revenue from operations increased from ₹ 9,881.93 million in FY 2020-21 to ₹ 11,184.56 million in FY 2021-22 and EBITDA increased from ₹ 44.98 million in FY 2020-21 to ₹ 190.91 million in FY 2021-22.

The operational performance and margins of your Company have improved, inspite of non-availability of working capital for operations, and challenges due to other external factors.

THE INDUSTRY

The global High Carbon Ferro Chrome production was at approx. 13.91 million tonnes in 2021, out of which India's Ferro Chrome production stood at approx. 1.25 million tonnes. India exported approx. 60% of its Ferro Chrome production, primarily to China.

India's Chrome Ore production increased from approx. 2.78 million tonnes in FY 2020-21 to approx. 3.77 million tonnes in FY 2021-22 out of which OMC produced approx. 1.16 million tonnes of Chrome Ore in FY 2021-22 against an EC capacity of 1.53 million TPA.

Iron Ore production in Odisha increased from approx. 111 million tonnes in FY 2020-21 to approx. 138 million tonnes in FY 2021-22 out of which OMC produced approx. 28 million tonnes. The exports of Iron Ore & Pellet stood at approx. 25 million tonnes in FY 2021-22.

The Government of India has imposed an Export Tax of 45% on Iron Ore Pellets, increased Export Tax on Iron Ore of all categories to 50% and imposed Export Tax of 15% on various select Steel & Stainless Steel products effective 22nd May 2022.

The outcome of mine auctions with extremely high bid premium is an area of concern for the industry.

VISION & STRATEGY

Your Company is committed to its vision to create long term stakeholder value through value addition of natural resources. The Company is focused on implementing Debt Resolution as per Reserve Bank of India (RBI) guidelines and plans to raise funds for working capital by inducting Investor, reducing cost and keeping the Plant operational.

OUTLOOK

The Government initiatives with focus to implement reforms to revive the economy is expected to increase demand for Ferro Alloys and Iron & Steel products going forward. However, the key risks going forward include high inflation, high energy prices, prolonged Russia-Ukraine war, tapering of liquidity by Central Banks and likely increase in interest rates.

I would like to place on record my sincere appreciation and gratitude to the entire team of VISA Steel for their relentless commitment inspite of the challenging business environment. I am grateful to the members of the Board of the Company for their invaluable guidance and contribution and acknowledge the support of all shareholders. I would also like to convey my sincere thanks to all the stakeholders including lenders, suppliers, customers, employees, Government officials etc. for their valued support as we navigate through these challenging times and I hope to continue to receive your support in the future.

Warm regards & best wishes,

Vishambhar Saran
Chairman

VICE CHAIRMAN & MD'S MESSAGE

Vishal Agarwal
Vice Chairman & MD

"It is expected that the overall financial health of the Company would improve after debt resolution and improvement in availability of working capital, for which the Company plans to raise funds by inducting Investor.

Dear Shareholders,

Your Company has set up manufacturing facilities in Odisha for production of Ferro Alloys. The performance of the Company has improved inspite of non-availability of working capital for operations and other external factors beyond the control of your Company and its management.

OPERATIONS

The operational performance of Ferro Chrome Plant has improved under conversion arrangement with support of related parties and other operational creditors, without which Plant operations as a going concern would be impossible causing a risk of Plant closure and agitation and other law and order problems.

FINANCE

Your Company has been under financial stress since 2011-12 due to various external factors beyond the control of your Company and its management. Despite the debt restructuring dated 27 September 2012 and 31 December 2014, the Lenders have not disbursed sanctioned facilities for operations, and adjusted the same with interest resulting in complete depletion of working capital and it now appears that the whole exercise of purported restructuring was mere evergreening of debt without even considering its adverse effect on the Company's operations. It is expected that the overall financial health of the Company would improve after debt resolution and improvement in availability of working capital, for which the Company plans to raise funds by inducting Investor.

Meanwhile, Banks including Vijaya Bank (since merged with Bank of Baroda), SIDBI, Bank of Baroda, Dena Bank (since merged with Bank of Baroda), Indian Overseas Bank, Central Bank of India, UCO Bank and State Bank of Travancore (since merged with State Bank of India) have already implemented Resolution through sale of debt to ARCs. Other Banks are also in various stages of implementing Resolution through sale of debt to ARCs.

HUMAN RESOURCE

Your Company has been focussed on ensuring safety of employees and compliance of guidelines issued by Government of India and Government of Odisha for prevention of Covid-19. The Company recognizes Human Resource as its most important assets and is constantly engaged in developing its employees through various development & training programmes. We improve our team building through various employee engagement social activities.

CORPORATE SOCIAL RESPONSIBILITY

As per our core philosophy, Health, Safety and Environment continues to be one of our key priorities. As a responsible corporate, the Company is focused on the happiness of people living in its neighbouring communities. Your Company's CSR team has directed its community development work in the areas of education, healthcare, rural development, sports & culture and your Company wishes to continue supporting this. I would like to convey my sincere thanks to all the stakeholders including shareholders, lenders, suppliers, customers, Government officials and employees for their valued support.

With warm regards & best wishes,

Vishal Agarwal
Vice Chairman & MD

BOARD OF DIRECTORS

MR. VISHAMBHAR SARAN

Chairman

Born on 4th December 1947 at Faizabad, UP, Mr. Saran secured a Bachelor's Degree in Mining Engineering from Indian Institute of Technology, Banaras Hindu University in 1969. He served Tata Steel for 25 years, starting from their various mines, Paradip Port and Kolkata and Jamshedpur Offices. He rose to the position of Director – Raw Materials, Tata Steel in 1988 and Director of Budgets in 1993. He availed voluntary retirement from 31st March 1994. Mr. Saran founded the VISA Group in April 1994 and has built it up from scratch to a significant minerals and metals conglomerate. Philanthropically, creating and improving educational and medical facilities for the poor in backward districts of Odisha, UP and West Bengal through 'VISA Trust', founded by him and his wife.

Mr. Saran is Honorary Consul of the Republic of Bulgaria for Eastern India; Trustee on the Board of Kalyan Bharti Trust and VISA Trust; Chairman of the Board of Governors, Heritage Law College, Kolkata; Member of National Executive Committee of Federation of Indian Chamber of Commerce Industry (FICCI).

Formerly, Mr. Saran was the President of Indian Chamber of Commerce, Kolkata; President of Coal Consumers Association; Trustee on the Board of Chennai Port Trust; Member of Governing Council of the International Chromium Development Association, Paris; Raw Material Committee of the International Iron & Steel Institute, Brussels; CII Eastern Regional Committee; Board of Tata Sponge Iron Limited and Standard Chrome Limited.

MR. VISHAL AGARWAL

Vice Chairman & Managing Director, Chairman, Corporate Social Responsibility Committee

Mr. Agarwal holds a Bachelor's Degree from London School of Economics and a Master's Degree from Oxford University. He was born in Faizabad, Uttar Pradesh and completed his schooling from Mayo College, Ajmer and Cheltenham College, UK. He has almost 25 years of rich experience in the Iron & Steel industry, with hands-on experience of setting up greenfield projects and international trading business. During 1997 to 2004, Mr. Agarwal developed the international trading business for the VISA Group in minerals and metals including Chrome Ore, Iron Ore, Manganese Ore, Alumina, Ferro Alloys etc. Since 2004, he has built the manufacturing business of the VISA Group from scratch.

MS. RUPANJANA DE

Independent Director, Chairperson, Audit Committee

Ms. Rupanjana De is a Fellow Member of the Institute of Company Secretaries of India (ICSI) and a former Council Member of EIRC of ICSI. She is a triple Master's Degree holder. Ms. De has a hands-on expertise in Company Law and Management, Corporate Governance, Legal Compliance, Corporate Sustainability, Corporate Social Responsibility and Quality Control.

She has also been faculty and speaker at various forums viz. ICSI, The Indian Chamber of Commerce, Institution of Engineers (India). She has authored a number of articles on Corporate Governance, Insurance Market and Products and Renewable Energy Technology in both Indian publications and international journals.

MR. SHEO RAJ RAI

Independent Director

Mr. S R Rai secured a Bachelor's Degree in Mechanical Engineering Technology and Executive MBA (Marketing) from Banaras Hindu University, Varanasi. He joined Steel Authority of India Limited (SAIL) in 1977 as Executive. He served SAIL for 38 years in various positions and offices. He rose to the position of Executive Director (Material Management & Marketing), Bhilai in the year 2011 and retired in the year 2015 as Executive Director (Marketing-Long Product), SAIL, Headquarter, Kolkata. He is also an Independent Director on the Board of VISA Special Steel Limited.

MR. DHANESH RANJAN

Independent Director

Mr. Dhanesh Ranjan secured a Master's Degree in Economics from Ranchi University and Diploma in Maritime Law from Lloyd's Maritime Academy, London. He joined Steel Authority of India Limited (SAIL) as Management Trainee and retired as Executive Director (Coal Import Group). He served SAIL for 36 years in various positions and offices. He has travelled overseas to several countries in the course of his appointment for facilitating business of the Company. Throughout his career, he has been at the cutting-edge of policy-making and strategising in different areas and divisions of SAIL.

MR. MANOJ KUMAR

Whole-time Director designated as Director (Kalinganagar)

Mr. Manoj Kumar is a Mechanical Engineer from BIT Mesra, Ranchi. He has over 31 years of experience of working in various positions in the Iron & Steel industry. He had been accredited with bringing the concept of ABP-based procurement into the Company and was also responsible for streamlining the operational procurement by entering into Annual Rate Contracts & Vendor Stockings. He has played a key role in the Company's projects and operations.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is focused on strengthening and enriching the lives of people living in its larger neighbouring communities. During the year, CSR activities were dominated by accelerated efforts and momentous growth in our focus areas of quality education, healthcare, nutrition, sanitation, skill development, safety & environment, rural development, sports and culture.

EDUCATION

Your Company ensures access to quality education and learning opportunities for all, with special emphasis on scholarship programmes and other areas such as:

- Providing scholarships to meritorious students from underprivileged background in Odisha and Kolkata, and also to students at Smt. Sarala Devi Saraswati Balika Inter College in Tilhar, Uttar Pradesh
- Established The Heritage School and The Heritage Institute of Technology through Kalyan Bharti Trust in Kolkata
- Setting up Science and Computer labs at schools and colleges in Odisha, supply of library books, conducting Teachers' Training Programme, providing infrastructure support, transport facilities among others
- Providing vocational training to women in Odisha for taking up employment and encouraging entrepreneurship in a skilled craft as artisan

HEALTHCARE

Your Company is making continuous efforts to provide access to quality healthcare solutions through:

- Distribution of safety kits, oxygen cylinders and concentrator in Government Hospitals and COVID monitoring centres
- Providing sanitisation services in compliance with COVID-19 guidelines in nearby areas, Government Institutes, offices and schools
- Supporting medical institutes, Odisha Blood Bank (Jajpur Road), Community Health Centre (Jajpur Road) with equipment and infrastructure support
- Undertook massive COVID-19 vaccination drive at work site in Jajpur and Kolkata in coordination with the District Administration
- Creating awareness on cleanliness and sanitation, aligned with 'Swachh Bharat' initiative
- Organising medical camps along with free medicine distribution in the backward areas of Odisha
- Conducting health check-up camps and raising awareness on the treatment of common diseases and hygiene
- Undertaking initiatives to control malaria and dengue

RURAL DEVELOPMENT

Your Company is making sustainable rural livelihood improvements and enhancing access to better amenities through:

- Installation of automated ticket checking machine at Jakhapura Railway station to maintain social distancing and avoid physical checking of tickets
- Distribution of daily consumable items and preventive hygiene kits to nearby communities in Kolkata and Jajpur
- Undertaking development of roads and renovation of temples and heritage sites in Odisha
- Providing safe drinking water in the backward areas of Odisha
- Renovation of primary health centre and lending support to fight against natural calamity

SAFETY & ENVIRONMENT

Your Company, in its journey towards environmental excellence, continues with its resolute effort by:

- Conducting regular safety training sessions for employees and contract labourers
- Extending support towards animal welfare
- Undertaking mass plantation drives in the industrial region of Odisha and in nearby government schools, hospitals and public places
- Launching water recycling initiatives to preserve ground water levels
- Distributing saplings among villagers to encourage plantation

SPORTS AND CULTURE

Your Company aims to promote sports and art among the youth by way of creating a platform to facilitate their skills through:

- Sponsored and organised Annual Ladies Golf Tournament at Tollygunge Club, Kolkata
- Working toward preserving contemporary Indian arts, culture and heritage for the future generation with the aim to support and promote talented artists and craftsmen

REPORT OF THE DIRECTORS

Dear Shareholders,

Your Directors are pleased to present this 26th Annual Report and the Audited Standalone and Consolidated Financial Statements of Accounts of the Company for the financial year ended 31 March 2022.

FINANCIAL RESULTS

(₹ in million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	7,920.03	6,111.19	11,184.56	9,881.93
Other Income	12.32	5.23	12.47	7.72
Total Income	7,932.35	6,116.42	11,197.03	9,889.65
Profit before interest, depreciation, tax & exceptional items	176.64	(90.08)	190.91	44.98
Finance Cost	239.72	196.06	208.36	169.88
Depreciation	462.62	465.16	854.78	1,284.62
Profit / (Loss) before Exceptional & Extraordinary Items and Taxation	(525.70)	(751.30)	(872.23)	(1,409.52)
Exceptional & Extraordinary Items	-	2,151.17	-	10,563.22
Profit /(Loss) before Tax	(525.70)	(2,902.47)	(872.23)	(11,972.74)
Tax Expenses	-	-	-	-
Profit / (Loss) after Tax	(525.70)	(2,902.47)	(872.23)	(11,972.74)
Other Comprehensive Income	(0.32)	(12.88)	3.87	(12.57)
Total Comprehensive Income for the period	(526.02)	(2,915.35)	(868.36)	(11,985.31)

OPERATIONS

The standalone Revenue from operations of the Company was ₹7,920.03 million and profit before interest, depreciation, tax and exceptional items was at ₹176.64 million for the FY 2021-22. The consolidated Revenue from operations of the Company was ₹11,184.56 million and profit before interest, depreciation, tax and exceptional items was at ₹190.91 million during the FY 2021-22. The Ferro Alloy Plant and Iron making units are being operated under conversion arrangement to continue as a going concern and due to non-availability of funds for working capital, whereas the Steel operations have been closed since 2017.

During the year under review, operational performance of your Company has improved under conversion arrangement with support of related parties and other operational creditors, without which plant operation as a going concern would become impossible causing a risk of Plant closure and agitation and other law & order problems. The management is continuously making all efforts to keep the Company as a going concern so as to preserve the asset value.

The Company has been focused on ensuring safety of employees and compliance of guidelines issued by Government of India and Government of Odisha for prevention of Covid-19.

Scheme of Arrangement for Transfer of Special Steel Business Undertaking

The Scheme of Arrangement between your Company and VISA Special Steel Limited (VSSL) and their respective shareholders and creditors was sanctioned by the Hon'ble National Company Law Tribunal, Cuttack Bench vide an Order dated 8 July 2019 and the Certified Copy of the order was filed with Registrar of Companies on 13 July 2019. Consequently, the Special Steel Business Undertaking (including Blast Furnace, Sponge Iron Plant, Steel Melting Shop and Rolling Mill) including all its assets and liabilities stood transferred to and vested in VSSL effective from the appointed date of 1 April 2013.

However, the Hon'ble Supreme Court vide its ex-parte order dated 17 January 2020 in Civil Appeal (Civil) No 56 of 2020 (State Bank of India vs VISA Steel Ltd & Anr) has directed issuance of notice and in the meantime stayed the aforesaid NCLT Order. Since the NCLT Order had been given effect to and stood implemented by the Company prior to 17 January 2020, the Company is dealing with the aforesaid Civil Appeal before the Hon'ble Supreme Court in consultation with its Advocates.

Debt Resolution

Your Company has been under financial stress since 2011-12 due to various external factors beyond the control of the Company and its management. Despite the Debt Restructuring as per CDR LoA dated 27 September 2012 and 31 December 2014, the lenders have not disbursed sanctioned facilities for operations including for setting up of Sinter Plant and have adjusted the same towards interest, resulting in complete depletion of working capital and it now appears that the whole exercise of purported restructuring was mere ever greening of debt without even considering its adverse effect on Plant operations and financial performance of your Company.

State Bank of India (SBI) had filed an application before National Company Law Tribunal (NCLT) for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC), which was dismissed by NCLT Cuttack bench. SBI preferred an appeal before National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed NCLT to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Company in the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on 9 September 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has filed an application before NCLT for initiating CIRP under IBC against the Company. The Company is dealing with the above in consultation with its Advocates. It is expected that the overall financial health of the Company would improve after debt resolution and improvement in availability of working capital for which the Company plans to raise funds by inducting Investor.

Your Company has been requesting lenders to implement a Resolution as per RBI Guidelines. Several Banks including Vijaya Bank (since merged with Bank of Baroda), SIDBI, Bank of Baroda, Dena Bank (since merged with Bank of Baroda), Indian Overseas Bank, Central Bank of India, UCO Bank and State Bank of Travancore (since merged with State Bank of India) have already implemented Resolution through sale of debt to ARCs. Other Banks are also in various stages of implementing Resolution through sale of debt to ARCs.

Future Outlook

Some of the key risks going forward include high inflation, high energy prices, prolonged Russia-Ukraine war, tapering of liquidity by Central Banks and likely increase in interest rates. Due to these factors, the demand and prices of Ferro Alloys and Iron & Steel products may get adversely impacted going forward.

The Company is focused on implementing Debt Resolution as per RBI guidelines and is making efforts for reducing cost and keeping the Plant operational to continue as a going concern.

DIVIDEND:

In view of the losses incurred by the Company, your Directors have not recommended any dividend for the FY ended 31 March 2022.

TRANSFER TO RESERVES:

No amount has been transferred to the General Reserve for the FY ended 31 March 2022.

CHANGE IN NATURE OF BUSINESS:

During the year under review, there has been no change in the nature of business of the Company.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Dividend:

During the year under review, no amount was due to be transferred in the Investor Education and Protection Fund.

Ms. Amisha Chaturvedi, Company Secretary of the Company continues to be the Nodal Officer (IEPF) of the Company. The details of the Nodal officer of the Company are also available on the website www.visasteel.com.

SHARE CAPITAL:

Your Company's paid-up Equity Share Capital is ₹ 1,157,895,000 (Rupees One Hundred Fifteen Crore Seventy-Eight Lac Ninety-Five Thousand only) comprising of 115,789,500 Equity Shares of ₹ 10/- each. There has been no change in the Capital Structure of the Company, during the financial year under review except that VISA International Limited (VINL) (a shareholder of 23,787,833 Equity shares of the Company, erstwhile Promoter Group Company had ceased to be a part of the Promoter Group Company upon Corporate Insolvency Resolution process carried out under the provisions of Insolvency and Bankruptcy Code 2016 and subsequently taken over by a Non-Promoter group.

SUBSIDIARIES:

As on 31 March 2022, the Company has four subsidiaries including step down subsidiaries namely, Kalinganagar Special Steel Private Limited, Kalinganagar Chrome Private Limited, VISA Ferro Chrome Limited and VISA Special Steel Limited:

(i) Kalinganagar Special Steel Private Limited (KSSPL), a wholly owned subsidiary, was incorporated on 27 May 2013.

(ii) Kalinganagar Chrome Private Limited (KCPL), a wholly owned subsidiary, was incorporated on 1 July 2013.

(iii) VISA Ferro Chrome Limited (VFCL), a step-down subsidiary was incorporated on 26 July 2013. VFCL is a wholly owned subsidiary of Kalinganagar Special Steel Private Limited.

(iv) VISA Special Steel Limited (VSSL), a step-down subsidiary incorporated on 27 July 2012 and is a wholly owned subsidiary of VISA Ferro Chrome Limited.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement presented by your Company includes financial information of its subsidiaries prepared in compliance with applicable Accounting Standards. A statement containing the salient features of the financial statement of your Company's subsidiaries in the prescribed form AOC-1 pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed separately to the financial statements.

The Annual Accounts of the Subsidiary Companies will be made available to the shareholders of the aforesaid subsidiaries and your Company as and when they demand and will also be kept for inspection by any investor at the registered office of your Company and its subsidiaries. The financial statements of your Company and its subsidiaries are also available on the website of your Company. In terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Consolidated Financial Statement, confirming to Indian Accounting Standard 110 issued by the Institute of Chartered Accountants of India, is attached as a part of the Annual Report.

The highlights of performance of subsidiaries as on 31 March 2022 and their contribution to the overall performance of your Company during the period under review are tabulated below:

(₹ in million)

Name of the Subsidiary	Total Income	Total Comprehensive Income	Profit / Loss considered in Consolidation	Net worth Attributable
Kalinganagar Special Steel Private Limited	3,929.16	(342.36)	(342.36)	(21,242.20)
Kalinganagar Chrome Private Limited	-	(0.01)	(0.01)	0.47

BOARD MEETINGS:

The Board met 5 times during the year, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time.

Further, the Independent Directors at their separate meeting, reviewed the performance of the Board, Chairman of the Board and of Non-Independent Directors, as required under the Act and the Listing Regulations.

The Independent Directors at their separate meeting also assessed the quality, quantity and timelines of flow of information between your Company's Management and the Board of Directors of your Company.

COMMITTEES OF THE BOARD

As a matter of good Corporate Governance and to ensure better accountability and to deal with specific areas/concerns that need a closer view, various Board level Committees have been constituted in terms of the provisions of the Act and the Listing Regulations under formal approval of the Board. There exists an Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

The details of the composition, brief terms of reference, meetings held during the financial year 2021-22, attendance of the Board of Directors/ Members etc., of the said Board Meeting/ Committees are given in the Report on Corporate Governance annexed hereto and forming part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board comprises of an optimum mix of Executive and Non-Executive Directors including Independent Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms with the Articles of Association of your Company, Mr. Vishal Agarwal, Vice Chairman & Managing Director (DIN: 00121539), retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his reappointment, to the members for their approval.

During the year under review, Mr. Pratip Chaudhuri, Independent Director had resigned from the Board of Directors with effect from 15 December 2021 due to his personal reasons. Consequently, the Committees of the Board were reconstituted by inducting Mr. Dhanesh Ranjan in the Audit Committee and Nomination and Remuneration Committee and Mr. Sheo Raj Rai in Stakeholders Relationship Committee.

Mr. Dhanesh Ranjan (DIN: 03047512), Ms. Rupanjana De (DIN: 01560140) and Mr. Sheo Raj Rai (DIN: 07902184) have given declarations confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 17 of the Listing Regulations.

During the year under review, Mr. Dhanesh Ranjan (DIN: 03047512), Independent Director whose first term as an Independent Director expired on 29 September 2021, was reappointed as an Independent Director on the Board of the Company for a second term of 5 (five) years with effect from 30 September 2021 in its meeting held on 13 August 2021 and by the members of the Company in the 25th Annual General Meeting of the Company held on 29 September 2021.

All Independent directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, Regulation 16 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have complied with the code of conduct prescribed in Schedule IV to the Companies Act, 2013.

Mr. Vishambhar Saran (DIN: 00121501) whose term of 5 (five) Years as Whole-time Director designated as the Chairman ended on 14 December 2021. He was reappointed as Whole-time Director designated as the Chairman for a further period of 5 (five) years with effect from 15 December 2021 by the Board of Directors of the Company in its meeting held on 13 August 2021 and by the members in the 25th Annual General Meeting of the Company held on 29 September 2021.

Mr. Vishal Agarwal (DIN: 00121539) whose term of 5 (five) Years as Whole-time Director designated as the Vice Chairman & Managing Director ended on 24 June 2022. He was reappointed as Whole-time Director designated as the Vice Chairman & Managing Director for a further period of 5 (five) years with effect from 25 June 2022 by the Board of Directors of the Company in its meeting held on 13 August 2021 and by the members in the 25th Annual General Meeting of the Company held on 29 September 2021.

Mr. Manoj Kumar (DIN: 06823891) whose term of 3 (three) Years as Whole-time Director designated as Director (Kalinganagar) of your Company ended on 15 September 2021. He was reappointed as Whole-time Director designated as the Director (Kalinganagar) for a further period of 5 (five) years with effect from 16 September 2021 by the Board of Directors of the Company in its meeting held on 13 August 2021 and by the members in the 25th Annual General Meeting of the Company held on 29 September 2021.

The Nomination & Remuneration policy is hosted on the Company's website at http://www.visasteel.com.

Key Managerial Personnel

Mr. Vishambhar Saran is responsible for Chief Executive functions of your Company in addition to being the Whole time Director designated as the Chairman, Mr. Vishal Agarwal acts as Deputy Chief Executive Officer in addition to being the Vice Chairman & Managing Director and Mr. Manoj Kumar, acts as Chief Operating Officer in addition to being the Whole time Director designated as Director (Kalinganagar).

Mr. Surinder Kumar Singhal continues to be the Chief Financial Officer of your Company and Ms. Amisha Chaturvedi continues to be the Company Secretary and Compliance Officer of your Company.

BOARD EVALUATION

The Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the Board Committees, in due compliance with the provisions of the Companies Act, 2013 and the Listing Regulations. The performance evaluation of the Independent Directors was carried out by the entire Board and performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

The Board evaluation was carried out in accordance with the criteria laid down in the Nomination and Remuneration policy of the Company.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards respectively, have been duly followed by the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability confirm:

(a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the loss of the Company for that period;

(c) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual accounts had been prepared on a going concern basis;

(e) that the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

The Audit Committee comprises of 3 (three) Non-Executive Independent Directors. As on date, Ms. Rupanjana De, Independent Director is the Chairperson of the Audit Committee. The members of the Committee possess adequate knowledge of Accounts, Audit and Finance, among others. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and as is detailed in the Corporate Governance Report forming part of this Annual Report.

All recommendations made by the Audit Committee during the FY 2021-22 were accepted by the Board of Directors of the Company.

CEO / CFO CERTIFICATION

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Vishal Agarwal, Vice Chairman & Managing Director and Mr. Surinder Kumar Singhal, Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended 31 March 2022, which is annexed to this Report.

AUDITORS

Statutory Auditors and Auditors Report

The members of the Company had, at the 21st Annual General Meeting of the members of the Company held on 14 December 2017, approved the appointment of M/s. Singhi & Co., Chartered Accountants (FRN 302049E) as Statutory Auditors of the Company to hold office from the conclusion of that Annual General Meeting till the conclusion of 26th Annual General Meeting.

Accordingly, it is proposed to re-appoint M/s. Singhi & Co., Chartered Accountants (FRN 302049E) as Statutory Auditors of the Company for a second term of 5 (five) years from the conclusion of the ensuing Annual General Meeting till the Annual General Meeting of the Company to be held in the year 2027.

In compliance with Section 139 and other applicable provisions of the Companies Act, 2013, the Company has obtained a written consent from the Auditors and also a certificate to the effect that their appointment, if approved, would be in accordance with the conditions prescribed under the Act.

The para-wise management response to the qualifications/ observations made in the Independent Auditors Report is stated as under:

1. Attention is drawn to Para 2 of the Independent Auditors Report regarding Basis of Qualified Opinion. The clarification of the same is provided in Note No. 16B of the Accounts of the Standalone Accounts.

2. Attention is drawn to Para 5 of the Independent Auditors Report regarding Emphasis of Matter related to Scheme of Arrangement. The clarification of the same is provided in Note No. 34 of the Accounts of the Standalone Accounts.

3. Attention is drawn to Para 4 of the Independent Auditors Report regarding Matter related to material uncertainty relating to Going Concern. The clarification of the same is provided in Note No. 35 of the Accounts of the Standalone Accounts.

4. Attention is drawn to Para viii of Annexure A to the Independent Auditors Report. The clarification of the same is provided in Note No. 16B of the Accounts of the Standalone Accounts.

5. The Auditors observation in para 8 of the Annexure B to the Auditors report regarding dues to financial institution and banks has been addressed in Note No. 16B of the Standalone Accounts.

Internal Auditors
In terms of the provisions of Section 138 of the Act, M/s. L B Jha & Company, an Independent Chartered Accountants firm were appointed as Internal Auditors of the Company for FY 2022-23. The Audit Committee in consultation with the Internal Auditors formulates the scope, functioning, periodicity and methodology for conducting the Internal Audit. The Audit Committee, interalia, reviews the Internal Audit Report.

Secretarial Auditors
Pursuant to Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. MKB & Associates, Company Secretaries, as its Secretarial Auditor to undertake the Secretarial Audit for FY 2021-22. The report of the Secretarial Auditor of the Company and its Unlisted Material Subsidiary, VISA Special Steel Limited in specified form MR-3 are annexed herewith as Annexure IA & IB and forms part of this report. The report does not contain/contains any observation or qualification or adverse remarks except that no further approval of the banks/public financial institution as per the Companies Act, 2013 was obtained by the Company for re-appointment of Managing Director/Whole-time Directors on the same terms and conditions as previously approved. Debts of the Company have been classified as Non-Performing Assets (NPA) from the NPA date of 11 July 2012 which ex-facie is barred by limitation and accordingly the entire debt classified as current is disputed. This is adequately disclosed in the Financial Statement of the Company.

The Board has re-appointed M/s. MKB & Associates, Company Secretaries, as Secretarial Auditors of the Company for the financial year 2022-23.

Cost Auditors
As per Section 148 of the Companies Act, 2013, the Board of Directors has appointed, M/s. DGM & Associates, (Registration No.00038), Cost Accountants, Kolkata as Cost Auditors of the Company, to carry out the cost audit of the products manufactured by the Company for the FY ending 31 March 2023. The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained. The filings as prescribed under the provisions of Companies Act, 2013 were done within the due time.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, appropriate resolutions seeking ratification to the remuneration of the said Cost Auditors are appearing in the Notice convening the 26th Annual General Meeting of the Company.

No frauds have been reported during the financial year under review by the Auditors of the Company.

RISK MANAGEMENT

The speed and degree of changes in the global economy and the increasingly complex interplay of factors influencing the business makes Risk Management an inevitable exercise and to cater to the same, your Company has identified major focus areas for risk management to ensure organizational objectives are achieved and has a robust policy along with well-defined and dynamic structure and proactive approach to assess, monitor and mitigate risks associated with the business.

The Company has formulated and implemented a risk management policy in accordance with Listing Regulations, to identify and monitor business risk and assist in measures to control and mitigate such risks. In accordance with the policy, the risk associated with the Company's business is always reviewed by the management team and placed before the Audit Committee. The Audit Committee reviews these risks on periodical basis and ensures that mitigation plans are in place. The Board is briefed about the identified risks and mitigation plans undertaken.

The risks faced by the Company are detailed in Management Discussion and Analysis Report forming part of this Annual Report. In the opinion of the Board, as on date there are no material risks which may threaten the existence of the Company, except as stated in Management Discussion and Analysis Report forming part of this Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS:

There are no significant material orders passed by the Regulators /Courts which would impact the going concern status of your Company and its future operations.

INTERNAL CONTROL SYSTEM

Your Company has adequate system of internal control procedures commensurate with its size and the nature of business. The internal control systems of the Company are monitored and evaluated by the Internal Auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors of the Company.

Your Company manages and monitors the various risks and uncertainties that can have adverse impact on the Company's business. Your Company is giving major thrust in developing and strengthening its internal audit so that risk threat can be mitigated.

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee for their inputs and suggestions. The Audit Committee through Internal Auditor regularly reviews the system for cost control, financial controls, accounting controls, etc. to assess the adequacy and effectiveness of the internal control systems. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Companies Act, 2013 forms part of the Audit Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report, except as disclosed.

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during FY 2021-22 were on arm's length basis and also in the ordinary course of business. No Related Party Transactions were made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons during FY 2021-22 except those reported.

All Related Party Transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained on a yearly basis for the transactions which were of foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted were audited by M/s. L. B. Jha & Co., Chartered Accountants and a statement giving details of all Related Party Transactions were placed before the Audit Committee for its approval on a quarterly basis. M/s. L. B. Jha & Co., concluded that all Related Party Transactions entered into during FY 2021-22 by your Company were on Arm's Length Basis and also in the ordinary course of business, to the Audit Committee of the Board of Directors of your Company.

The Related Party Transactions Policy, Policy for determining 'Material' subsidiaries and Policy on Materiality of RPT as approved by the Board is uploaded on the Company's website at www.visasteel.com.

Information on transaction with Related Parties is given in Form AOC-2, Annexure II and the same forms part of this report.

None of the Directors or KMP(s) has any pecuniary relationships or transactions vis-à-vis the Company during FY 2021-22 except as disclosed in Notes to Financial Statement forming part of this Annual Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo is given in Annexure III forming part of this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

HUMAN RESOURCES

The Company places significant emphasis on recruitment, training & development of human resources, which assumes utmost significance in achievement of corporate objectives. The Company integrates employee growth with organisational growth in a seamless manner through empowerment and by offering a challenging workplace aimed towards realisation of organisational goals. To this effect, your Company has a training center at its Plant for knowledge-sharing and imparting need-based training to its employees. The Company also has in place a Performance Management System in SAP for performance appraisal of the employees. To ensure accommodation, hospitality and other facilities for its employees, the Company has set up a modern guest house at Kalinganagar.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

The information required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) & 5(3) of the Companies (Particulars of Employees) Rules, 1975, as amended, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules) are set out in Annexure IV to this Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining a copy of the statement may write to the Company.

The disclosure pertaining to remuneration of Directors, Key Managerial Personnel and Employees as required under Section 197(12) of the Act read with Rule 5(1) of the Rules are provided in Annexure IVB to this report.

DEPOSITS

The Company has not accepted or renewed any deposits during the year under review.

CORPORATE GOVERNANCE

The Company is committed in maintaining the highest standards of Corporate Governance and adheres to the stipulations prescribed under Regulation 17-23 of the Listing Regulation. A Report on Corporate Governance & Shareholder Information together with the Auditors' Certificate thereon is annexed as part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

A detailed analysis of the Industry and Company Outlook, Company's operations, project review, risk management, strategic initiatives and financial review & analysis, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) 2015 is presented under a separate section titled "Management Discussion and Analysis" forming part of the Annual Report.

ANNUAL RETURN

The copy of Annual Return shall be available on the website of the Company, i.e. www.visasteel.com.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy provides for adequate safeguards against victimisation of employees and / or Directors and also provides for direct access to the Chairman of the Audit Committee. The Policy is uploaded on the website of the Company at www.visasteel.com.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) Committee comprises of 3 (three) Directors. As on date, Mr. Vishal Agarwal is the Chairman of the CSR Committee.

The Corporate Social Responsibility (CSR) policy recommended by the Corporate Social Responsibility Committee had been approved by the Board of Directors. The CSR policy is available on the website of the Company www.visasteel.com.

During the year, the CSR initiatives undertaken by the Company, although not mandatory under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules 2014, are detailed in the Annual Report.

The CSR Policy is available on the website of the Company (www.visasteel.com).

Detailed Annexure as per Companies (CSR Policy) Rules, 2014 (as amended from time to time) is attached as Annexure VI.

NOMINATION AND REMUNERATION POLICY

In terms of the requirement of Section 178 of the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee, the Board has approved the Nomination and Remuneration Policy (hereinafter referred as "Policy') of the Company. The policy is available on the website of the Company (www.visasteel.com).

The salient features of the policy are as below:

- to lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management or KMP(s) of the Company;
- to lay down the terms and conditions in relation to the appointment of Directors, Senior Management Personnel or KMP and recommend to the Board the appointment and removal of Directors, Senior Management Personnel or KMP(s);
- to lay down criteria to carry out evaluation of every Director's performance;
- to formulate criteria for determining qualification, positive attributes and Independence of a Director;
- to determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel and other Employees to work towards the long-term growth and success of the Company;
- to devise a policy on the diversity of the Board;
- to assist the Board with developing a succession plan for the Board.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Company has not received any complaint of sexual harassment during the FY 2021-22.

The Company has complied with provisions relating to the constitution of Internal Compliant Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your directors record their sincere appreciation for the assistance, support and guidance provided by all stakeholders including employees, banks, customers, suppliers, regulatory & government authorities, business associates. The Directors commend the continuing commitment and dedication of all employees at all levels and look forward to their continued support in future.

Your directors value your involvement as shareholders and look forward to your continuing support.

For and on behalf of the Board

Vishal Agarwal
Vice Chairman & Managing Director
(DIN: 00121539)

Manoj Kumar
Wholetime Director designated as Director (Kalinganagar)
(DIN: 06823891)

Kolkata
30 May 2022

Annexure 'IA' to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VISA STEEL LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VISA STEEL LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2022, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

   e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, *inter alia*, applicable to the Company:

   a) The Legal Metrology Act, 2009 and Rules made thereunder;

   b) The Orissa Electricity (Duty) Act, 1961 and rules made thereunder;

   c) The Static and Mobile Pressure Vessels (Unfired) Rules, 1981;

   d) The Gas Cylinder Rules, 2004;

   e) The Petroleum Act, 1934 and Rules made thereunder;

   f) The Environment (Protection) Act, 1986;

   g) The Air (Prevention and Control of Pollution) Act, 1981;

   h) Orissa Air (Prevention and Control of Pollution) Rules, 1983.

We have also examined compliance with the applicable clauses of the following:

a) The Secretarial Standards issued by The Institute of Company Secretaries of India.

b) Provision of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations').

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that no further approval of the banks/public financial institutions as per the Companies Act, 2013 was obtained by the Company for re-appointment of Managing Director/ Whole-time Directors on the same terms and conditions as previously approved. However, as per the management, the debts of the Company are barred by limitation and the entire debt is disputed.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had passed the following special resolution which needs mention:

a) Approval of related party transactions under Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder;

b) Re-appointment of Mr. Vishambhar Saran (DIN: 00121501) as the Whole time Director designated as Chairman for a period of 5 (five) years w.e.f. 15 December 2021, on the remuneration and perquisites, as approved for a period of 3 (three) years;

c) Re-appointment of Mr. Vishal Agarwal (DIN: 00121539) as the Vice Chairman & Managing Director for a period of 5 (five) years w.e.f. 25 June 2022, on the remuneration and perquisites, as approved for a period of 3 (three) years;

d) Re-appointment of Mr. Manoj Kumar (DIN: 06823891) as Director (Kalinganagar) for a period of 5 (five) years w.e.f. 15 September, 2021, on the remuneration and perquisites, as approved for a period of 3 (three) years;

e) Re-appointment of Mr. Dhanesh Ranjan (DIN: 03047512) as the Independent Non-Executive Director of the Company for a period of five consecutive years with effect from 30 September 2021.

We further report that the stay granted by Supreme Court of India vide its order dated 17 January 2020 against the order of National Company Law Tribunal, Cuttack Bench dated 8 July 2019 continues to remain in operation.

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg. No. P2010WB042700

Raj Kumar Banthia
Partner
Membership No. 17190
COP No. 18428
UDIN: A017190D000429261

Date: 30 May 2022
Place: Kolkata

Annexure - I

To,
The Members,
VISA STEEL LIMITED

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg. No. P2010WB042700

Raj Kumar Banthia
Partner
Membership No. 17190
COP No. 18428
UDIN: A017190D000429261

Date: 30 May 2022
Place: Kolkata

Annexure 'IB' to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VISA SPECIAL STEEL LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VISA SPECIAL STEEL LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2022, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder (Not applicable to the Company during the Audit Period);

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI (Not applicable to the Company during the Audit Period);

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, *inter alia*, applicable to the Company:

   a) The Boilers Act, 1923;

   b) The Legal Metrology Act, 2009 and Rules made there;

   c) The Explosives Act, 1884 and Rules;

   d) The Orissa Electricity (Duty) Act, 1961 and Rules made thereunder;

   e) The Static and Mobile Pressure Vessels (Unfired) Rules, 1981;

   f) The Gas Cylinder Rules, 2004;

   g) The Petroleum Act, 1934 and Rules made thereunder;

   h) The Environment Protection Act, 1986;

   i) The Air (Prevention and Control of Pollution) Act, 1981;

   j) Orissa Air (Prevention and Control of Pollution)Rules, 1983.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had passed special resolution towards approval of the related party transactions as per Section 188 of the Companies Act, 2013.

We further report that the stay granted by Supreme Court of India vide its order dated 17 January, 2020 against the order of National Company Law Tribunal, Cuttack Bench dated 8 July, 2019 continues to remain in operation.

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg. No. P2010WB042700

Raj Kumar Banthia
Partner
Membership No. 17190
COP No. 18428
UDIN: A017190D000429426

Date: 30 May 2022
Place: Kolkata

Annexure - I

To,
The Members,
VISA SPECIAL STEEL LIMITED

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg. No. P2010WB042700

Raj Kumar Banthia
Partner
Membership No. 17190
COP No. 18428
UDIN: A017190D000429426

Date: 30 May 2022
Place: Kolkata

Annexure 'II' to the Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1.	**Details of contracts or arrangements or transactions not at arm's length basis**		
(a)	Name(s) of the related party and nature of relationship	:	Not Applicable
(b)	Nature of contracts/ arrangements/ transactions	:	
(c)	Duration of the contracts/ arrangements/ transactions	:	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	:	
(e)	Justification for entering into such contracts or arrangements or transactions	:	
(f)	Date(s) of approval by the Board	:	
(g)	Amount paid as advances, if any	:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	:	
2.	**Details of material contracts or arrangements or transactions at arm's length**		
(a)	Name(s) of the related party and nature of relationship	:	VISA Minmetal Limited (VML) and VISA Coke Limited (VCL) (Enterprises over which KMP or relative of KMP exercise significant influence)
(b)	Nature of contracts/arrangements/ transactions	:	Sale and purchase of manufactured goods, conversion of raw materials into finished goods and earning of conversion fee, trading of raw materials & finished goods and capital goods, hire or lease of property / Plant & machinery, rent charges, freight, Commissions, Finance charges/Interests, Shared services charges, reimbursements or any other transactions.
(c)	Duration of the contracts/arrangements/ transactions	:	As mutually agreed,
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	:	In the Ordinary course of business and on arm's length basis
(e)	Date(s) of approval by the Board	:	In the quarterly meetings of the Board[@]
(f)	Amount paid as advances, if any	:	Nil

Note: [@] Date of the quarterly meetings of the Board of Directors of the Company are mentioned in the Corporate Governance Report for the year ended 31 March 2022.

Annexure 'III' to the Directors' Report

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required pursuant to provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy:

1. Usage of coke fines (-6mm) in the form of composite briquette in ferrochrome along with nut coke.
2. Hot slag cakes were used in briquetting plant during monsoon to reduce the moisture of incoming chrome ore. It has resulted in increase of productivity briquetting plant and reduction in specific consumption of LDO
3. Common header has been made for suctions of BFP's resulting increase in availability and reduction in auxiliary power consumption.
4. Thermodynamic steam traps were installed in place of mechanical type steam traps for preventing steam passing and heat loss.
5. Tube replacement of TG-3 condenser and descaling of balance TG's condensers was done due to which specific steam consumption of steam and heat rate of turbine has been improved.
6. Utilization of Char and De-dust produced from DRI Kilns in CFBC has resulted in reduction of primary coal consumption.
7. Reject water from RO plant is used in place of river water for quenching hot cake at ferrochrome.
8. In the FY 2021-22, 134 KW LED installations were done against HPSV lights replacement and new installations.
9. LDO was used in place of HSD to reduce the specific energy consumption.
10. E-scooters were introduced for internal movement against that two petrol bikes were replaced.

(ii) the steps taken by the Company for utilizing alternate sources of energy

- NIL.

(iii) the capital investment on energy conservation equipment

- NIL

B. TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT (R&D)

(i) the efforts made towards technology absorption;

1. Small cast iron pan of 0.93 cubic metre capacities were used in place of big cast iron pan of 1.35 cubic metre.
2. Installation of SONIC horns against conventional soot blowers in boilers for online cleaning.
3. System study of cooling system associated to TG and cooling tower was done.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:

1. Average life of the pan has been increased and mixing of slag and metal has been reduced.
2. Efficiency of boiler has increased due to better heat transfer and resulted in saving of 2 tons of steam per day in each boiler.
3. Delta temperature of 7 to 8 degree was achieved for cooling tower with reduction in exhaust turbine temperature resulting stability and increase in efficiency of Turbine.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported

2019-20	2020-21	2021-22
NIL	NIL	NIL

(b) the year of import: Not Applicable

(c) whether the technology been fully absorbed: Not Applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and future plan of action: Not Applicable

(iv) the expenditure incurred on research and development

- NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO DURING THE YEAR

(₹ Million)

Particulars	2021-22	2020-21
Foreign Exchange Earned	-	-
Foreign Exchange Outgo	-	-

Annexure 'IV' to the Directors' Report

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1) Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2021-22:

Sl. No.	Name of the Director	Ratio
	Executive Directors	
1	Mr. Vishambhar Saran	40.84
2	Mr. Vishal Agarwal	43.04
3	Mr. Manoj Kumar	18.05
	Independent Directors	
1	Mr. Pratip Chaudhuri*	0.38
2	Ms. Rupanjana De	0.98
3	Mr. Sheo Raj Rai	0.28
4	Mr. Dhanesh Ranjan	0.84

*Resigned with effect from 15 December 2021

Note:

1. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year 2021-22: NIL
2. The percentage increase in the median remuneration of employees in the financial year 2021-22: NIL
3. The number of permanent employees on the rolls of the Company as on 31 March 2022: 387
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL
5. Average percentile increase in salary of the Company's employees for the financial year 2021-22 was: NIL
6. Remuneration is as per the Nomination and Remuneration Policy of the Company.

Annexure 'V' to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22.

1. **Brief outline of Company's CSR Policy of the Company:** The Company has formulated a CSR policy as per the provisions of the Companies Act, 2013 to take up projects or programs relating to CSR activities as decided by the Corporate Social Responsibility Committee from time to time every year, as per the availability of CSR expenditure activities specified in Section 135 read with Schedule VII to the Companies Act 2013.

2. **Composition of CSR Committee**

Name of Director	Designation / Nature of Directorship
Mr. Vishal Agarwal	Chairman/Vice Chairman & Managing Director
Ms. Rupanjana De	Member/Independent Director
Mr. Manoj Kumar	Member/Whole-time Director designated as Director (Kalinganagar)

No meeting(s) of CSR Committees were held during the year under review

3. **Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:** Composition of CSR Committee, CSR Policy and CSR projects approved by the Board is available on the website of the Company and can be accessed through the following weblinks: www.visasteel.com

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)** – Not applicable.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.** – Not applicable

6. **Average net profit of the Company as per Section 135(5)** – The Company has losses during the last three financial years

7. (a) **Two percent of average net profit of the Company as per Section 135(5)** – NA

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years** – NA

   (c) **Amount required to be set off for the financial year, if any** – NA

   (d) **Total CSR obligation for the financial year (7a+7b-7c)** – NA

8. (a) **CSR amount spent or unspent for the financial year** – NA

   (b) **Details of CSR amount spent against ongoing projects for the financial year** – NA

   (c) **Details of CSR amount spent against other than ongoing projects for the financial year** – NA

   (d) **Amount spent in Administrative Overheads** – NA

   (e) **Amount spent on Impact Assessment, if applicable** – NA

   (f) **Total amount spent for the Financial Year (8b+8c+8d+8e)** – NA

   (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ Crores)
1.	Two percent of average net profit of the Company as per Section 135(5)	(1.05)
2.	Total amount spent for the Financial Year	-
3.	Excess amount spent for the financial year [(ii)-(i)] NA	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** NA

   (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** NA

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year** – NA

11. **Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5).** – NA

Sd/-
Mr. Vishal Agarwal
Vice Chairman & Managing Director
Chairman – CSR Committee

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

During FY 2021-22, the performance of the Company has improved inspite of non-availability of working capital for operations and other external factors beyond the control of the Company and its management.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Industry Overview

The global High Carbon Ferro Chrome production was at approx. 13.91 million tonnes in 2021, out of which India's Ferro Chrome production stood at approx. 1.25 million tonnes. India exported approx. 60% of its Ferro Chrome production, primarily to China.

India's Chrome Ore production increased from approx. 2.78 million tonnes in FY 2020-21 to approx. 3.77 million tonnes in FY 2021-22 out of which OMC produced approx. 1.16 million tonnes of Chrome Ore in FY 2021-22 against an EC capacity of 1.53 million TPA.

Company Overview

Your Company has established manufacturing assets for production of Ferro Alloys at Kalinganagar in Odisha.

OPPORTUNITIES AND THREATS

Opportunities

In view of some of the Government initiatives to implement reforms to revive the economy, the demand for Ferro Alloys is expected to increase.

Threats

The long-term competitiveness of the Ferro Alloy Industry in India will depend on the cost of doing business including raw material costs, energy costs, regulatory costs, logistics costs for inbound and outbound transportation of raw material and finished goods, interest costs etc. There has been significant increase in levies, duties and regulatory costs in the recent years. However, your Company is determined to face these challenges going forward.

SEGMENT WISE PERFORMANCE & OUTLOOK

Your Company is engaged in the manufacturing of Ferro Alloys.

During the year under review, the operational performance of your Company has improved inspite of non-availability of working capital for operations and challenges due to other external factors. Your Company is carrying out major refurbishment and relining of Furnaces in phased manner.

Your Company is operating the Ferro Chrome Plant under conversion arrangement to continue as a going concern and due to non-availability of funds for working capital and major refurbishment and relining of Furnaces.

The Company has been focused on ensuring safety of employees and compliance of guidelines issued by Government of India and Government of Odisha for prevention of Covid-19.

The Company has been taking support of related parties and other operational creditors to continue Plant operations under conversion arrangement without which such operations as a going concern would be impossible and there is a risk of Plant closure and agitation and other law and order problems.

RISK MANAGEMENT

The volatility in the Global economy and the increasingly complex interplay of factors influencing a more globally integrated business makes Risk Management an inevitable exercise and to cater to the same, your Company has identified major focus areas for risk management to ensure organisational objectives are achieved and has a well-defined and dynamic structure and proactive approach to assess, monitor and mitigate risks associated with these areas, briefly enumerated below:

a) **Operations –** The price and availability of key raw materials, non-availability of working capital and regulatory changes such as duties / taxes / cess etc. have an impact on the operations. Moreover, the stocks are also subject to the other foreseeable risks. Necessary coverage has been taken in the form of a comprehensive Industrial All Risk (IAR) policy which covers plant, machinery, buildings (with contents), tools & equipment and stocks (raw materials, stores & spares and finished goods) against fire, allied perils and all other foreseeable risks. The policy also covers loss of profit to the business arising from any accidental event. The Company also has coverage in form of a Sales Turnover policy which provides all-risk transit insurance cover to the finished goods produced and sold by your Company and also covers transit of all the incoming raw materials.

b) **Foreign Exchange –** A comprehensive forex policy has been formulated for managing its foreign exchange exposure.

c) **Systems –** Your Company is having SAP, the leading software for Enterprise Resource Planning, to integrate its operations and to use best business and commercial practices.

d) **Statutory compliances –** Procedure is in place for periodical reporting of compliance of statutory obligations and is reported to the Board of Directors at its meetings.

INTERNAL CONTROL AND SYSTEMS

Your Company has in place detailed and well spelt internal control systems, which commensurate with the size and nature of its operations and periodic audits are conducted in various disciplines to ensure adherence to the same. During the year, M/s. L. B. Jha, & Co. Internal Auditor of your Company had independently evaluated the adequacy and efficacy of the audit controls. The direct reporting of the Internal Auditors to the Audit Committee of the Board ensures independence of the audit and compliance functions. The Internal Auditor regularly reports to the Audit Committee on their observations on your Company's processes, systems and procedures ascertained during the course of their audit. Your Company has also appointed Cost Auditors for the cost audit of its manufactured products and the Cost Auditors also report to the Audit Committee on their observations. Your Company has appointed Auditors to report on arm's length pricing policy and its compliance with the Companies Act, SEBI regulations on related party transaction. Your Company currently uses cloud which has reduced the IT Cost and also protects from data loss in case of hardware failure. Emphasis is placed on adequacy, reliability and accuracy of dissemination of financial data and information. Compliance issues are given utmost importance and reported regularly to the Board.

Your Company has been accredited with ISO 14001 (Environmental Management System) and OHSMS 45001 (Occupational Health and Safety Management System) Certification by BSI (British Standards Institution). It has also been accredited with the ISO 9001 (Quality Management System) certification. It shows commitment to quality, customers, and a willingness to work towards improving efficiency.

Your Company has an adequate internal financial control system over financial reporting which were operating effectively as at 31 March 2022 and have been audited and certified by the Statutory Auditor of the Company.

FINANCE REVIEW AND ANALYSIS

Your Company reported Standalone Revenues from operations of ₹7,920.03 Million. The standalone EBITDA was ₹176.64 Million.

Highlights (Standalone) (In Million)

(₹ Million)

Particulars	2021-22	2020-21
Revenue from operations	7,920.03	6,111.19
Other Income	12.32	5.23
Total Income	**7,932.35**	**6,116.42**
Expenditure		
Raw Materials consumed	4,500.51	3,150.94
(Increase) / decrease in stock	36.53	16.91
Employee Cost	284.76	267.49
Other expenses	2,933.91	2,771.16
Operating Profit	**176.64**	**(90.08)**
Finance Cost	239.72	196.06
Depreciation	462.62	465.16
Exceptional Item	-	2,151.17
Profit/(Loss) before Tax	**(525.70)**	**(2,902.47)**
Tax Expenses	-	-
Profit/(Loss) after Tax	**(525.70)**	**(2,902.47)**
Other Comprehensive Income	(0.32)	(12.88)
Total Comprehensive Income	**(526.02)**	**(2,915.35)**

Sales & Other Income: Sales Revenue increased due to higher production.

Expenditure: The expenditure has increased due to increase in the price of materials and higher production in comparison to previous year.

Finance Cost: Your Company did not provide majority part of the finance cost as per details mentioned in Note 16D of the Standalone Financial Statements.

Your Company has been under financial stress since 2011-12 due to various external factors beyond the control of your Company and its management. The Lenders have not disbursed sanctioned facilities for operations, and adjusted the same with interest resulting in complete depletion of working capital and it now appears that the whole exercise of purported restructuring was mere evergreening of debt without even considering its adverse effect on the Company's operations.

Your Company has reserved its right to claim losses suffered due to the actions and inactions of Banks including arising out of breaches and violations of contractual and other arrangements and such amount shall be claimed as a set-off against any dues.

Your Company has been requesting lenders to implement a Resolution as per RBI Guidelines. Several Banks including Vijaya Bank (since merged with Bank of Baroda), SIDBI, Bank of Baroda, Dena Bank (since merged with Bank of Baroda), Indian Overseas Bank, Central Bank of India, UCO Bank and State Bank of Travancore (since merged with State Bank of India) have already implemented Resolution through sale of debt to ARCs. Other Banks are also in various stages of implementing Resolution through sale of debt to ARCs.

DEVELOPMENTS IN HUMAN RESOURCES & INDUSTRIAL RELATIONS

Your Company has formulated a detailed Code of Conduct in order to practice ethical behaviour and sound conduct to establish the principles that guide our daily actions. Ethical conduct is the cornerstone of how your Company does business. Your Company is committed to creating a healthy work environment that enables employees to work without fear of prejudice, gender bias, sexual harassment and all forms of intimidation or exploitation. It is committed to provide a work environment that ensures every employee is treated with dignity and respect.

Your Company has been focussed on ensuring safety of employees and compliance of guidelines issued by Government of India and Government of Odisha for prevention of Covid-19. The Company recognises Human Resource as its most important assets and is constantly engaged in developing its employees through various development & training programmes. We improve our team building through various employee engagement social activities.

The total number of employees in your Company, including those inducted as trainees in your Company, as on 31 March 2022 was 387.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible Corporate, your Company is focused on the happiness of people living in its neighbouring communities. Your Company's CSR team has directed its community development work in the areas of education, healthcare, rural development, sports & culture and your Company wishes to continue its support and focus on these issues.

HEALTH AND SAFETY

Your Company endeavours to be one of the most respected enterprises in terms of providing a safe work place to its employees, contractors and other stakeholders. The management is making every possible effort to ensure that its employees and contractors adopt, practice and enjoy world class health and safety standards.

KEY FINANCIAL RATIOS

	2021-22	2020-21
Debtors Turnover	-	-
Inventory Turnover	50.01	32.98
Interest Coverage Ratio	-	-
Current Ratio	0.26	0.26
Debt Equity Ratio	-	-
Operating Profit Margin	(0.04)	(0.09)
Net Profit Margin	(0.07)	(0.48)
Return on Networth	-	-

During the current year, some ratios have improved, whereas some financial ratios are unascertainable.

OUTLOOK

The Government initiatives to implement reforms to revive the economy is expected to increase demand for Ferro Alloys going forward. However, the key risks going forward include high inflation, high energy prices, prolonged Russia-Ukraine war, tapering of liquidity by Central Banks and likely increase in interest rates.

CAUTIONARY STATEMENT

Statements in this "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, input availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiation.

CORPORATE GOVERNANCE

OUR PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to the structures and processes for direction and control of the Companies. It is the process carried out by the Board of Directors and its related Committees, on behalf of and for the benefit of the Company's Stakeholders, to provide direction, authority and oversights to the Management. It also provides the structure through which the objectives of the Company are set and the means of attaining those objectives and monitoring performances are determined. The Company takes pride in being a responsible corporate citizen and in maintaining the highest standard of good Corporate Governance. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance of the Company. The purpose of Company's Corporate Governance Policy is to continue and maintain the corporate culture of conscience and consciousness towards Shareholders and other Stakeholders. The Company has established systems and procedures to ensure that its Board of Directors is well informed and equipped to fulfill its overall responsibilities and to provide the Management with strategic direction needed to create long-term shareholder value. The Company always endeavors 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 and efficient producer of value-added steel products with backward integration and captive power.

I. BOARD OF DIRECTORS

The Principal responsibility of the Board is to oversee the Management of the Company and in doing so serve the best interest of the Company and its stakeholders. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

- **Core Skills/ Expertise/ Competencies identified by the Board as required in the context of Companies Business**

  The Board of Directors of your Company have evaluated and identified the following as the core skills/ expertise/ competencies in the context of Company's business, as may be required by the Members of the Board for effectively contributing to the Board and Committee proceedings.

Sl. No.	Core Skills/ Expertise/ Competencies	Whether such key skills, expertise and competence and attributes are available with the Company's Board
1.	Understanding of Company's Business and its Operation	Yes
2.	Finance & Accounts	Yes
3.	Corporate Governance and Ethics	Yes
4.	Strategy and Planning	Yes
5.	Technology and Innovation	Yes

Hence, core skills, expertise and competencies identified to function effectively amongst others are Understanding of Company's Business and its Operation, Finance & Accounts, Corporate Governance and Ethics, Strategy, Planning, Technology and Innovation. All of those are available with each of the Board member in as much as they are from diverse fields and have said competencies individually as well as collectively. Table below give summary of said competencies each of the Directors of the Company have.

Sl. No.	Core Skills/Expertise/Competencies	Vishambhar Saran	Vishal Agarwal	Pratip Chaudhuri*	Rupanjana De	Sheo Raj Rai	Dhanesh Ranjan	Manoj Kumar
1	Understanding of Company's Business and its Operation	√	√	√	√	√	√	√
2	Finance & Accounts	√	√	√	√	√	√	-
3	Corporate Governance and Ethics	√	√	√	√	√	√	√
4	Strategy and Planning	√	√	√	-	√	√	√
5	Technology and Innovation	-	√	-	√	-	-	√

* resigned from the board with effect from 15 December 2021.

- **Composition of the Board as on 31 March 2022**

  The Composition of the Board of Directors of the Company is in compliance with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations. The Company has a judicious mix of Executive, Non-Executive and Independent Directors on its Board. As on 31 March 2022, the Board comprises of six members, out of these six members, three members are Independent Directors including one Woman Director and three members are Executive Directors.

The Chairman of the Board is an Executive Director. An Independent Director is the Chairman of the following Board Committees except Corporate Social Responsibility Committee:

a) Audit Committee;

b) Nomination and Remuneration Committee and

c) Stakeholders Relationship Committee;

Details of each Director as on 31 March 2022, as per SEBI Listing Regulations

Name of the Directors and DIN	Category	No. of Board Meetings attended	Attendance at AGM	No. of Directorship held in other Companies[1]	Names of the listed entities where the person is a director and the category of directorship	No. of Chairmanship/ Membership in Committees[4]
Mr. Vishambhar Saran 00121501	Promoter Executive Chairman	5	Yes	3	Nil	Member – 1 Chairman – 0
Mr. Vishal Agarwal 00121539	Promoter Vice Chairman & Managing Director	5	Yes	6	Nil	Member – 3 Chairman – 2
Ms. Rupanjana De 01560140	Independent Non-Executive	5	Yes	7	Assam Carbon Products Limited – Independent Director Sastasundar Ventures Limited – Independent Director	Member – 9 Chairperson – 1
Mr. Sheo Raj Rai 07902184	Independent Non-Executive	5	No	1	Nil	Member – 2 Chairman – 1
Mr. Dhanesh Ranjan 03047512	Independent Non-Executive	3	No	0	Nil	Member – 1 Chairman – 0
Mr. Manoj Kumar 06823891	Executive Director	5	Yes	2	Nil	Member – 0 Chairman – 0

Note:

1. This excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies under Section 8 of the Companies Act, 2013.
2. All the Independent Directors of the Company fulfils the conditions of Independence, as required under the Companies Act, 2013 and Listing Regulations. All the Independent Directors are independent of the management.
3. Each Director informs the Company on an annual basis about the Board and the Committee position(s) which he/she occupies in other Companies and notifies any changes therein. In addition to this, the Independent Directors provide an annual confirmation that they meet the criteria of Independence U/s 149 (6) of the Companies Act, 2013 and Listing Regulations.
4. For this purpose, only two Committees, viz., the Audit Committee and the Stakeholders Relationship Committee have been considered. This excludes Committee positions held in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
5. Mr. Dhanesh Ranjan, Independent Director, whose first term as an Independent Director ended on 29 September 2021 was reappointed with effect from 30 September 2021 for a second term of 5 (five) years.
6. None of the Independent Directors have resigned before the end of their tenure except Mr. Pratip Chaudhuri, Independent Director who has resigned from the Board of Directors of the Company with effect from 15 December 2021 due to his personal reasons and he has attended two board meetings during the year under review.

During the year under review, 5 (Five) Board Meetings were held on the following dates: 10 June 2021, 30 June 2021, 13 August, 2021, 11 November 2021 and 14 February 2022.

Mr. Vishambhar Saran and Mr. Vishal Agarwal are related to each other in terms of clause 77 of Section 2 of the Companies Act, 2013 read with the applicable Rules made thereunder.

The Non-Executive Directors of the Company do not hold any shares/ convertible instruments in the Company.

The detail of familiarization program imparted to Independent Directors is disclosed in the following Web link of the Company: http://www.visasteel.com/investors/pdf/familiarization-programme.pdf.

Details of Remuneration paid to Board of Directors

Name of the Director	Sitting Fees paid[1]	Total payments paid / payable in 2021-22
	(₹)	(₹)
Mr. Pratip Chaudhuri	160,000	160,000
Ms. Rupanjana De	420,000	420,000
Mr. Sheo Raj Rai	360,000	360,000
Mr. Dhanesh Ranjan	120,000	120,000
Total	**1,060,000**	**1,060,000**

Note:

1. Sitting fees were paid @ ₹ 40,000 per Board Meeting and ₹ 20,000 per Committee Meeting i.e. Audit, Stakeholders Relationship and Nomination and Remuneration Committee(s) including separate meeting of Independent Directors.
2. No stock options have been granted during the year to any of the Directors.
3. During the financial year 2021-22, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company apart from the above.
4. The criteria of making payment to the Non-Executive Directors are as and when decided by the Board of Directors/ Nomination and Remuneration Committee. For the financial year 2021-22, the Company paid only sitting fees to the Non-Executive Independent Directors.

B. Executive Directors

Name of the Director	Relationship with other Directors	Business relationship with the Company, if any	Remuneration paid during 2021-22			
			All elements of remuneration package, i.e. salary, benefits, bonuses etc. (in ₹ Mn)	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)	Whole time Director designated as Chairman	17.42	See note (b)	See note (c)	NA
Mr. Vishal Agarwal	See Note (a)	Vice Chairman & Managing Director	18.36	See note (b)	See note (c)	NA
Mr. Manoj Kumar	See Note (a)	Whole time Director designated as Director (Kalinganagar)	7.65	See note (b)	See note (c)	NA

(a) Mr. Vishambhar Saran is the father of Mr. Vishal Agarwal. Other than this, none of the other Directors are in any way related to any other Director.

(b) In view of the ongoing losses being incurred by the Company, Mr. Vishambhar Saran and Mr. Vishal Agarwal had volunteered for reducing their salary retrospectively w.e.f. 1 April 2014. Mr. Manoj Kumar, Whole time Director designated as Director (Kalinganagar) is entitled to Performance Bonus of ₹ 792,000. The Company has internal norms for assessing performance of its Executive Directors which is done by the Board.

(c) Mr. Vishambhar Saran had been reappointed as Whole time Director designated as Chairman of the Company for a period of 5 years with effect from 15 December 2021. The appointment may be terminated by either party by giving 1 month notice in writing and no severance fee is payable.

Mr. Vishal Agarwal had been reappointed as Whole time Director designated as Vice Chairman & Managing Director of the Company for a period of 5 years with effect from 25 June 2022. The appointment may be terminated by either party by giving 1 month notice in writing and no severance fee is payable.

Mr. Manoj Kumar had been reappointed as the Whole time Director designated as Director (Kalinganagar) of the Company for a period of 5 years with effect from 15 September 2021. The appointment may be terminated by either party by giving 1 month notice in writing and no severance fee is payable.

II. BOARD COMMITTEES

- **Audit Committee**

The Audit Committee comprises of 3 (three) Non-Executive Independent Directors, details are given under as on 31 March 2022:

Ms. Rupanjana De, Chairperson - Independent Director

Mr. Sheo Raj Rai, Member - Independent Director

Mr. Dhanesh Ranjan, Member - Independent 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 the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with applicable Schedule of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR).

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 2021-22, the Committee met 5 (Five) times on – 10 June 2021, 30 June 2021, 13 August 2021, 11 November 2021 and 14 February 2022. The details of attendance by the Committee Members are as given under:

Name of the Director	No. of Meetings	
	Held	Attended
Ms. Rupanjana De*	5	5
Mr. Sheo Raj Rai	5	5
Mr. Pratip Chaudhuri#	4	2
Mr. Dhanesh Ranjan$	1	0

Note:

* The Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on 29 September 2021.

Resigned with effect from 15 December 2021.

$ Appointed as the member of the Audit Committee with effect from 30 January 2022.

- **Stakeholders Relationship Committee**

  The composition, powers, role and terms of reference of the Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with applicable Schedule of SEBI (LODR).

  The Stakeholders Relationship Committee comprises of the following Directors as on 31 March 2022:

Mr. Sheo Raj Rai$, Chairman	-	Independent Director
Mr. Vishal Agarwal, Member	-	Vice Chairman & Managing Director
Ms. Rupanjana De, Member	-	Independent Director

Note:

$ Appointed as the member & Chairman of the Stakeholders Relationship Committee with effect from 30 January 2022.

The primary function of the Committee is to consider and resolve the grievances of the stakeholders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends and such other grievances as may be raised by the security holders from time to time. As on 31 March 2022, the Company's shares are in dematerialised form except 505 Equity Shares of ₹10/- each and the shares are compulsorily traded on the Stock Exchanges in the dematerialised form.

As on 31st March, 2022, Mr. Sheo Raj Rai, Independent Director is the Chairman of the Stakeholders Relationship Committee

Particulars	Status
Number of shareholders' complaints received so far	1
Number of shareholders' complaints not solved to the satisfaction of shareholders	NIL
Number of shareholders' pending complaints	NIL

During the financial year 2021-22, the Committee met 4 (Four) times on – 30 June 2021, 13 August 2021, 11 November 2021 and 14 February 2022. The details of attendance by the Committee members are given as under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Vishal Agarwal	4	4
Mr. Pratip Chaudhari	3	1
Mr. Sheo Raj Rai	1	1
Ms. Rupanjana De	4	4

Ms. Amisha Chaturvedi, Company Secretary continues to be the Compliance Officer of the Company.

- **Nomination and Remuneration Committee**

  The composition, powers, role and terms of reference of the Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with applicable Schedule of SEBI (LODR).

  The Committee comprises of the following Independent Directors as on 31 March 2022:

Mr. Sheo Raj Rai*, Chairman

Ms. Rupanjana De, Member

Mr. Dhanesh Ranjan#, Member

Note:

* Mr. Pratip Chaudhuri was the chairman of the Nomination & Remuneration Committee upto 15 December 2021.

Mr. Dhanesh Ranjan was appointed as the member of the committee with effect from 30 January 2022 and Mr. Sheo Raj Rai was redesignated as the chairman with effect from that date.

The role and terms of reference of the Nomination and Remuneration Policy, inter alia, includes the following:

- to lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in senior management or as KMP of the Company;
- to lay down the terms and conditions in relation to the appointment of Directors, senior management personnel or KMP(s) and recommend to the Board the appointment and removal of Directors, senior management personnel or KMP(s);
- to lay down criteria to carry out evaluation of every Director's performance;
- to formulate criteria for determining qualification, positive attributes and Independence of a Director;
- to determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP(s) and senior management personnel to work towards the long term growth and success of the Company;
- to devise a policy on the diversity of the Board; and
- to assist the Board with developing a succession plan for the Board.

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has approved the Nomination and Remuneration Policy based on the recommendation of the Nomination & Remuneration Committee and the said policy is hosted on the Company's website at http://www.visasteel.com. The Policy includes the criteria for determining Qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act. For the sake of brevity, the Policy has not been reproduced here.

During the financial year 2021-22, the Committee met once on 13 August 2021. The details of attendance by the Committee members are as given under:

Name of the Director	No. of meetings	
	Held	Attended
Mr. Pratip Chaudhari	1	1
Ms. Rupanjana De	1	1
Mr. Sheo Raj Rai	1	1

- **Performance evaluation criteria**

  The Company has in place a Remuneration Policy adopted in terms of the provisions of the Companies Act, 2013. The Board of Directors carried out an annual evaluation of its own performance and that of its committees and individual Directors including the criteria of independence of the Independent Directors, in line with the Policy, requirements of the Companies Act, 2013 and SEBI (LODR). The Remuneration Policy of the Company is available on the website of the Company at www.visasteel.com.

  The Nomination and Remuneration Committee also reviewed the performance of the individual Directors. A separate Meeting of the Independent Directors of the Company was also held, wherein, the Independent Directors evaluated the performance of the Board as a whole and non - Independent Directors of the Company.

- **Corporate Social Responsibility Committee**

  In terms of Section 135 of the Companies Act, 2013, the Board on 26 September 2014, constituted a Corporate Social Responsibility (CSR) Committee to monitor the CSR Policy of the Company and the activities included in the Policy.

  The Committee comprises of the following Directors as on 31 March 2022:

Mr. Vishal Agarwal, Chairman	-	Vice Chairman & Managing Director
Ms. Rupanjana De, Member	-	Independent Director
Mr. Manoj Kumar, Member	-	Executive Director

The CSR policy of the Company is available on the website at http://www.visasteel.com/code-policies/csr-policy.pdf.

Note:
During the financial year 2021-22, no meeting of the Committee was held. The CSR initiatives undertaken by the Company, although not mandatory under Section 135 of the Act read with applicable Rules made thereunder, are detailed in the Annual Report.

III. SUBSIDIARY COMPANIES

The Company has 4 (Four) subsidiaries including indirect subsidiaries, as on 31 March 2022:

Kalinganagar Chrome Private Limited
Kalinganagar Special Steel Private Limited
VISA Ferro Chrome Limited
VISA Special Steel Limited

Note:
During the year under review, the following has been duly complied with in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- The Audit Committee reviewed 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 were placed before the Board of Directors of the Company for their review.

The Company had formulated a Policy for Determining Material Subsidiary and the same is available on the Company's website at: www.visasteel.com.

Means of communication

Quarterly results	-	Posted on our website www.visasteel.com
Newspapers normally published in	-	One English Language National Daily One daily published in Oriya Language
Any website, where displayed	-	www.visasteel.com
Whether it displays official news releases	-	Yes
Presentation to investors / analysts	-	Available as and when made
Whether Shareholder Information Report forms part of the Annual Report	-	Yes

The Annual Report containing, inter alia, Audited Standalone and Consolidated Financial Statements, Reports of the Auditors and Directors, Chairman's Statement, Management Discussion and Analysis Report and other important information is circulated to the members and displayed on the Company's website.

GENERAL BODY MEETINGS

Location and time, where last three AGMs were held and the Special Resolutions passed there at:

Year	Location	Date	Time	Special Resolutions passed
2020-2021	Through VC / OAVM	29 September 2021	12.00 PM	1. To re-appoint Mr. Dhanesh Ranjan (DIN: 03047512) as an Independent Director. 2. To re-appoint Mr. Vishambhar Saran (DIN: 00121501) as the Whole time Director designated as Chairman. 3. To re-appoint Mr. Vishal Agarwal (DIN: 00121539) as the Vice Chairman & Managing Director. 4. To re-appoint Mr. Manoj Kumar (DIN: 06823891) as the Whole-time Director designated as Director (Kalinganagar) of the Company.
2019-2020	Through VC / OAVM	22 December 2020	12.00 PM	1. To approve Related Party Transactions.
2018-2019	IDCOL Auditorium, IDCOL House, Ashok Nagar, Near Indira Gandhi Park, Unit – II, Bhubaneswar 751 009	23 December 2019	12.00 PM	1. To approve Continuation of Remuneration Payable to Mr. Vishal Agarwal, Vice-Chairman & Managing Director (DIN: 00121539) 2. To approve Related Party Transactions.

Postal Ballot

- Whether resolutions were put through postal ballot last year: Yes
- Following resolution has been passed through Postal ballot
- **To approve Related Party Transactions.**
- Person who conducted the postal ballot exercise: KFin Technologies Limited
- Procedure of postal Ballot: Remote E-voting process i.e. voting by electronic means.
- Whether any Special Resolution is proposed to be conducted through postal ballot: No.

General Shareholder Information

a) **Annual General Meeting for current FY**

Date : 29 September 2022

Time : 1200 Hours

Venue : The Company is conducting meeting through VC/OAVM pursuant to MCA Circular dated 5 May 2020, 13 January 2021, 14 December 2021 and 5 May 2022 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

b) **Financial Year:** April to March.

c) **Dividend Payment date:** The Company did not declare any dividend during the Financial Year –2021-22.

d) **The name and address of the Stock Exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange:**

National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Symbol – VISASTEEL

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code – 532721

CIN of the Company – L51109OR1996PLC004601

The ISIN No. of the Company – INE286H01012

Listings fees have been paid to the Stock Exchanges for the financial year 2022-23.

e) **Market price data –**

Particulars	BSE Limited High (₹)	BSE Limited Low (₹)	NSE High (₹)	NSE Low (₹)
Apr-21	7.66	5.90	7.75	5.95
May-21	11.69	8.04	11.65	7.95
Jun-21	11.92	8.86	11.90	8.80
Jul-21	12.85	9.52	12.75	9.55
Aug-21	14.80	8.70	14.70	8.75
Sep-21	12.95	9.66	12.95	9.55
Oct-21	17.49	12.31	17.40	12.20
Nov-21	16.90	13.15	16.60	13.10
Dec-21	15.81	12.45	16.00	12.45
Jan-22	21.45	14.45	21.45	14.50
Feb-22	18.90	13.35	18.90	12.80
Mar-22	19.95	14.59	19.40	14.75

f) **Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.**

Financial Year	NSE CNX NIFTY Change in VSL share price	NSE CNX NIFTY Change in Nifty	BSE SENSEX Change in VSL share price	BSE SENSEX Change in SENSEX
2021-22	125.74%	18.02%	131.92%	17.45%

g) **In case the securities are suspended from trading, the directors report shall explain the reason thereof:** Not Applicable

h) **Registrar to an issue and share transfer agents:**

KFin Technologies Limited
Unit: VISA Steel Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad – 500 032
Tel: + 91 40 67162222,
Fax: + 91 40 23001153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

i) **Share Transfer system**

The Board of Directors have delegated powers to the Registrar & Share Transfer Agent 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 from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and files a copy of the certificate with the Stock Exchanges. Further, reconciliation of the share capital audit report is also submitted on a quarterly basis for reconciliation of the share capital of the Company.

j) **Distribution of shareholding**

No. of equity shares held	2022				2021			
	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	17079	83.59	2395144	2.07	13853	80.66	2225405	1.92
501 – 1000	1882	9.21	1474232	1.27	1808	10.53	1413570	1.22
1001 – 2000	849	4.16	1273059	1.10	855	4.98	1278756	1.10
2001 – 3000	219	1.07	576668	0.50	216	1.26	565871	0.49
3001 – 4000	91	0.45	334374	0.29	111	0.65	402450	0.35
4001 – 5000	96	0.47	465871	0.40	100	0.58	484621	0.42
5001 – 10000	120	0.59	902522	0.78	128	0.74	945959	0.82
10001 and above	95	0.46	108367630	93.59	104	0.60	108472868	93.68
Total	**20431**	**100.00**	**115789500**	**100.00**	**17175**	**100.00**	**115789500**	**100**

k) **Dematerialization of shares and liquidity:** As on 31 March 2022, except 505 Equity Shares of ₹10/- of the Company, all the shares are in dematerialized form.

l) **Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:** Not Applicable

m) **Commodity price risk or foreign exchange risk and hedging activities:** Not Applicable

n) **Plant locations:**
Kalinganagar
Kalinganagar Industrial Complex
P.O. Jakhapura
Jajpur - 755026
Odisha
Tel: +91 6726 242 441/444
Fax: +91 6726 242 442

o) **Address for correspondence**

Registered Office	Corporate Office
Bhubaneswar	Kolkata
VISA House	VISA House
11 Ekamra Kanan, Nayapalli	8/10 Alipore Road
Bhubaneswar – 751015	Kolkata 700027
Odisha	West Bengal
Tel: + 91 674 2552 479-84	Tel: + 91 33 3011 9000
Fax: + 91 674 2554 661-62	Fax: + 91 33 3011 9002

The Company has designated an Email-ID exclusively for registering complaints by investors and investors can reach the Company at cs@visasteel.com

p) **List of all credit ratings obtained by the entity along with any revisions thereto during FY 2020-21 for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad -** Not Applicable

OTHER DISCLOSURES

a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**
All transactions entered into with related parties as defined under the Companies Act, 2013 and provisions of the Listing Regulations during the year were on an arm's length price basis and in the ordinary course of business. These have been placed and approved by the Audit Committee. The Board of Directors have approved and adopted a Related Party Transactions Policy, Policy for determining Materials Subsidiaries and Policy on Materiality of Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at: www.visasteel.com. Further, all the materially significant related party transactions are displayed in Note no. 44 of the Audited Financial Statement for the financial year ended 31 March 2022.

b) **Details of non-compliance by the listed entity, penalties, structures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:**
Not Applicable

c) **Details of establishment of vigil mechanism, Whistle Blower Policy, and affirmation that no personnel has been denied access to the Audit Committee:**
The Company has a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy provides for adequate safeguards against victimization of employees and / or Directors and also provides for direct access to the Chairman of the Audit Committee. The Policy is uploaded on the website of the Company at www.visasteel.com.

Further, the Company affirms that personnel have not been denied access to the Audit Committee.

d) **Details of compliance with mandatory requirements:**
The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

e) **Web link where policy for determining material subsidiaries is disclosed**
https://www.visasteel.com/code-policies/Related%20Party%20Transactions%20Policy,%20Policy%20for%20determing%20material%20subsidiary%20&%20Policy%20on%20materiality%20of%20RPT.pdf

f) **Web link where policy on dealing with related party transactions**
https://www.visasteel.com/code-policies/Related%20Party%20Transactions%20Policy,%20Policy%20for%20determing%20material%20subsidiary%20&%20Policy%20on%20materiality%20of%20RPT.pdf

g) **Disclosure of commodity price risks and commodity hedging activities:**
Not Applicable

h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)** – Not Applicable

i) **A Certificate from a Company Secretary in Practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority** – Attached

j) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof** – Nil

k) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part** – Detailed in Note No. 39 to the Standalone Financial Statement

l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
a) Number of complaints filed during the financial year – NIL
b) Number of complaints disposed of during the financial year – NIL
c) Number of complaints pending as on end of the financial year – NIL

Disclosure of Accounting Treatment
Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

Management
A detailed report on Management's Discussion and Analysis forms part of this Annual Report.

CEO and CFO Certification
As required by Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have given Compliance Certificate to the Board of the Directors.

m) **Disclosure with respect to demat suspense account/ unclaimed suspense account**
- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year:

No. of cases	No. of Shares held
3	873

- number of shareholders who approached listed entity for transfer of shares from suspense account during the year: nil
- number of shareholders to whom shares were transferred from suspense account during the year: nil
- number of shares transferred to IEPF

No. of cases	No. of Shares held
0	0

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year:

No. of cases	No. of Shares held
3	873

- The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

n) **Code of Conduct**
The Board of Directors had adopted a Code of Conduct for the members of the Board, Committees and Senior Management of the Company and also for Independent Directors.

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

DECLARATION

In compliance with the requirements of the Regulation 26(3) of Listing Regulations, 2015 this is to confirm that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31 March 2022.

For VISA Steel Limited

Vishal Agarwal
Vice Chairman & Managing Director
(DIN: 00121539)

Place: Kolkata
Date: 30 May 2022

Adoption and compliance of discretionary/non-mandatory requirements:

THE BOARD

The Company has an Executive Chairman and the expenses of his office incurred during the performance of his duties are borne by the Company.

SHAREHOLDERS RIGHTS

The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website www.visasteel.com. Therefore no individual communication is sent to Shareholders on the quarterly and half yearly financial results. However, the Company furnishes the quarterly and half yearly results on receipt of a request from the Shareholders.

MODIFIED OPINION IN AUDIT REPORT

The modified opinion in the Independent Audit Report in the Financial Statement for the Financial Year 2021-22 forms integral part of this Annual Report.

REPORTING OF INTERNAL AUDITOR

The Internal Auditor reports directly to the Audit Committee.

CEO /CFO Certification to the Board

The Board of Directors
VISA Steel Limited
Kolkata 700 027

Date: 30 May 2022

Pursuant to the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Vishal Agarwal, Vice Chairman & Managing Director and Surinder Kumar Singhal, Chief Financial Officer, hereby certify that:

a) we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal controls, of which we are aware.

d) we have indicated to the auditors and the Audit Committee that:

   i. there have been no significant changes in internal control over financial reporting during the year;

   ii. there have been no significant changes in accounting policies during the year; and

   iii. there have been no instances of significant fraud of which we have become aware.

Sd/-
Vishal Agarwal
Vice Chairman & Managing Director

Sd/-
Surinder Kumar Singhal
Chief Financial Officer

Independent Auditors' Certificate on Corporate Governance to the members of VISA Steel Limited

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

1. We, Singhi & Co., Chartered Accountants, the statutory auditors of VISA Steel Limited ("the Company"), have examined the compliance of conditions of corporate governance by the company, for the year ended March 31, 2022 as stipulated in regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) as amended.

MANAGEMENTS' RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITORS' RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance note on certification of corporate governance issued by Institute of the Chartered Accountants of India (ICAI), the Standards on Auditing specified under section 143 (10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the guidance note on report or certificate for special purpose issued by ICAI which requires that we comply with ethical requirements of the code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.
8. We 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.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWYCC5061

Place: Kolkata
Date: 30 May 2022

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
VISA Steel Limited
11 Ekamra Kanan
Nayapalli
Bhubaneswar – 751 015
Odisha

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VISA Steel Limited (CIN: L51109OR1996PLC004601) having its Registered office at 11 Ekamra Kanan, Nayapalli, Bhubaneswar – 751 015, Odisha (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2022:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00121501	Mr. Vishambhar Saran	Executive Chairman	10.09.1996
2	00121539	Mr. Vishal Agarwal	Vice-Chairman & Managing Director	10.09.1996
3	01560140	Mrs. Rupanjana De	Independent Director	26.08.2017
4	03047512	Mr. Dhanesh Ranjan	Independent Director	30.09.2018
5	06823891	Mr. Manoj Kumar	Executive Director	15.09.2015
6	07902184	Mr. Sheo Raj Rai	Independent Director	08.08.2017

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31 March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner
Membership No. 17190
COP No. 18428
UDIN: A017190D000428491

Date: 30 May 2022
Place: Kolkata

INDEPENDENT AUDITORS' REPORT

To the Members of VISA Steel Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Qualified Opinion

1. We have audited the standalone financial statements of VISA Steel Limited ("the Company") which comprise the standalone balance sheet as at March 31, 2022, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter referred to in Basis of Qualified Opinion paragraph 2 below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

2. We draw attention to Note 16B of the accompanying Standalone Financial Statements with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on March 31, 2022 is ₹ 8,496.93 million (including ₹ 1,459.69 million for FY 2016-17, ₹ 1,552.29 million for FY 2017-18, ₹ 1,465.46 million for FY 2018-19, ₹ 1,443.39 million for FY 2019-20, ₹ 1,286.83 million for FY 2020-21, ₹ 1,289.27 million for the year ended March 31, 2022) 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, 2022 would have been ₹ 1,528.99 million instead of the reported amount of ₹ 239.72 million. Total expenses for the year ended March 31, 2022 would have been ₹ 9,747.31 million instead of the reported amount of ₹ 8,458.04 million. Net loss after tax for the year ended March 31, 2022 would have been ₹ 1,814.96 million instead of the reported amount of ₹ 525.69 million. Total Comprehensive Income for the year ended March 31, 2022 would have been ₹ (1,815.28) million instead of the reported amount of ₹ (526.01) million, other equity would have been ₹ (12,743.77) million against reported ₹ (4,246.84) million, other current financial liability would have been ₹ 10,562.84 million instead of reported amount of ₹ 2,065.91 million and Loss per share for the year ended March 31, 2022 would have been ₹ 15.67 instead of the reported amount of ₹ 4.54.

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

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Relating to Going Concern

4. We draw attention to Note - 35 to the standalone financial statements regarding the preparation of the statement on a going concern basis, for the reason stated therein. The Company has accumulated losses and has also incurred losses during the year ended March 31, 2022. 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.

   Further, State bank of India (SBI), a financial creditor had filed an application before National Company Law Tribunal (NCLT) Kolkata bench for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC), which was dismissed by NCLT SBI preferred an appeal before National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed the NCLT to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Company in the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on 9 September 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has also filed an application before NCLT for initiating CIRP under IBC against the Company.

   These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. All the assets including non-current assets and liabilities are still being carried at their book value except Capital Work in Progress which has been restated at its recoverable value.

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. The ability of the Company to continue as a going concern is solely dependent on the successful outcome of these conditions, which are not wholly within the control of the Company.

The Management of the Company has prepared these financial statements on a going concern basis based on their assessment of the successful outcome of the debt resolution which will enhance the Company's viability, till then the Company's operations continue under conversion arrangement.

Our opinion is not qualified in respect to the above matters.

Emphasis of Matter

5. We draw attention to the following matters:

Refer Note - 34 to the standalone financial statements regarding accounting for transfer of Special Steel Undertaking, pursuant to the Scheme of Arrangement ("the scheme") approved by the NCLT vide its order dated July 8, 2019, all the assets and liabilities of the Special Steel Undertaking of VISA Steel Limited ("transferor Company") has been transferred to and vested in the VISA Special Steel Limited, (a wholly owned step down subsidiary) ("VSSL" or "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 the Registrar of Companies, Cuttack.

On January 17, 2020, Hon'ble Supreme Court of India vide its ex-parte order in Civil Appeal No. 56 of 2020 filed by SBI, has ordered issuance of notice and in the meanwhile stayed the aforesaid NCLT Order. The NCLT Order had been given effect to and stood implemented by the Company prior to January 17, 2020.

To give the impact of the sanctioned scheme, the Standalone Financial Statement of the Company for the year ended March 31, 2019 were revised and the same were approved by the Board of Directors in their meeting held on October 18, 2019 and audited by us on which we have issued our qualified audit report dated October 18, 2019 and same were approved by the members in their meeting held on December 23, 2019. In compliance to the sanctioned schemes, the Company had transferred various income, expenses, assets and liabilities related to Special Steel Undertaking to VSSL from 1st April 2013 resulting in accumulated receivable of ₹ 3,962.58 million from VSSL as on March 31, 2022 (previous year ₹ 3,776.91 million). Since the matter is pending with Hon'ble Supreme Court, the impact of the sanctioned scheme considered as above on financial statements including aforesaid receivable from a subsidiary VSSL is dependent on the final judgment of the Hon'ble Supreme Court.

Our opinion is not qualified in respect to the above matter.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

6. The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matters
1	**Related Party Transaction (See Note 44 to the Standalone Financial Statements)**	
	The Company has entered into a long term conversion arrangement with a related party wherein the key input raw materials are provided by and the finished goods are taken by the same related party. The above transaction has a possible transfer pricing risk associated with it.	We addressed the Key Audit Matter as follows :- 1) We reviewed the policy of the Company with respect to related party transactions. 2) We reviewed the minutes of the meeting of the Audit Committee and Board. 3) We reviewed the list of Related party identified by the Company. 4) We performed the sales process / procurement process walk through and tested the controls. 5) We obtained the transfer pricing document prepared by the Company and assessed the Key Assumptions. 6) We have assessed the application of transfer price documents in executing the transactions. 7) We reviewed compliance with Section 177 & 188 of the Companies Act 2013 for related party transaction. 8) We reviewed whether transactions between related parties are on normal commercial terms and conditions no more favorable than those otherwise available to other parties considering the present financial position of the Company. 9) We reviewed the disclosure of related party transactions as per Ind AS 24. **Conclusion :** Our audit procedures did not lead to any reservations regarding the related party transactions and its disclosure.

Management's Responsibility for the Standalone Financial Statements

8. The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

   Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

   As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, except for the matter referred to in paragraph 2 above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, except for the matter referred to in paragraph 2 above, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    h) With respect to the matter to be included in the Auditors' Report under section 197(16):

       In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

    i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note – 46(h) to the financial statements).

(b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note – 46(h) to the financial statements).

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The Company has not declared any dividend in the last year which has been paid in the current year. Further, no dividend has been declared in the current year.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWXSG8497

Place: Kolkata
Date: May 30, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 14 OF THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF VISA STEEL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022.

We report that:

i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No material discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Further, the Company has not filed quarterly returns or statements with banks or financial institutions as its loan is categorized as NPA. Hence we cannot comment on clause 3(ii)(b).

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities, except GST in respect of which there have been slight delays in few months.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:-

Name of the statute	Nature of dues	Amount (₹ In Million)	Period to which the amount relates	Forum where the dispute is pending
Service Tax under Finance Act, 1994	Service Tax	10.46	Financial Year 2008-09 to 2010-11	Custom, Excise & Service Tax Appellate Tribunal, Kolkata
Service Tax under Finance Act, 1994	Service Tax	37.55	Financial Year 2011-12 to 2014-15	Commissioner CGST & Central Excise and Customs
Service Tax under Finance Act, 1994	Service Tax	15.61	Financial Year 2010-11 to 2011-12	Commissioner of Central Excise (Appeals)
Andhra Pradesh Value Added Tax Act 2005	CST & VAT	0.96	Financial Year 2013-14 to 2017-18	Additional Commissioner of Commercial Taxes, Vijayawada
Customs Act	Custom	1.28	2012-13	Custom, Excise & Service Tax Appellate Tribunal, Hyderabad

Note:- The above table excludes the disputed cases pertaining to the erstwhile Special Steel undertaking of the Company which stood transferred and vested in VISA Special Steel Limited pursuant to the Scheme of Arrangement as sanctioned by National Company Law Tribunal, Cuttack Bench dated July 8,2019. These disputed cases are still being pursued in the name of the Company.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, loans or borrowings from banks and financial institutions aggregating to ₹ 23,313.28 Million for the period as set out below, the Company has defaulted in repayment of loans or borrowings and in the payment of interest thereon.

		Amount of default (₹ In Millions)			
Nature of borrowing including debt securities	Name of lender	Less than 12 months	More than 12 months	Whether principal or interest	Remarks, if any
Term Loan, Working Capital Loan	Asset Care and Reconstruction Enterprise limited	259.06	4563.09	Principal & Interest	
	Bank of India	18.52	324.76	Principal & Interest	
	Canara Bank	110.66	1939.15	Principal & Interest	
	Edelweiss Asset Reconstruction Company Limited	8.43	153.03	Principal & Interest	
	Exim Bank	48.76	722.84	Principal & Interest	
	HUDCO	66.76	1184.46	Principal & Interest	
	Punjab & Sind Bank	29.62	411.75	Principal & Interest	
	Punjab National Bank	448.10	7157.68	Principal & Interest	
	State Bank of India	168.50	3244.13	Principal & Interest	
	Union Bank of India	134.52	2319.46	Principal & Interest	
	Total	**1292.93**	**22020.35**		

Note: The unprovided interest amount reported above has been calculated by the management at simple interest.

(b) According to the information and explanations given to us by the management, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company during the year.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

x. (a) In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under Section 143(12) of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in Compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking / housing finance activities during the year and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

Based on the information and explanations provided by the management of the Company, the Group does not have any CIC's, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of ₹ 63.08 million in the current financial year and no cash loss was incurred in the previous year, without considering the impact of qualification amount. (Refer Paragraph 2 of Basis of Qualified Opinion of our Audit Report).

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

xix. We draw attention to Note 35 to the standalone financial statements, which indicates that the Company has incurred a net loss of ₹ 525.70 million during the year ended 31 March 2022 and, as of that date, the Company's net worth is fully eroded and that the current liabilities exceed its current assets by ₹ 12,923.47 million. As explained in the aforesaid note, State Bank of India (financial creditor) had filed an application before National Company Law Tribunal (NCLT) Kolkata Bench for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC), which was dismissed by NCLT, Cuttack Bench. SBI preferred an appeal before National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed the NCLT, Cuttack Bench to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Company in the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on 9 September 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has also filed an application before NCLT for initiating CIRP under IBC against the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. All the assets including non-current assets and liabilities are still being carried at their book value except Capital Work in Progress which has been restated at its recoverable value in the previous year. 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. The ability of the Company to continue as a going concern is solely dependent on the successful outcome of these conditions, which are not wholly within the control of the Company. The Management of the Company has prepared the statement on going concern basis based on their assessment of the successful outcome of the debt resolution which will enhance the Company's viability till then the Company's operations continue under conversion arrangement.

On the basis of the above and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the aforesaid events or conditions indicate that a material uncertainty exists as on the date of the audit report regarding whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWXSG8497

Place: Kolkata
Date: May 30, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 15 (g) of the Independent Auditors' Report of even date to the members of VISA Steel Limited on the standalone financial statements for the year ended March 31, 2022

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to standalone financial statements of VISA Steel Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to the standalone financial statements.

Meaning of Internal financial controls with reference to the standalone financial statements

6. A company's internal financial controls with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the standalone financial statements includes those policies and procedures that :

    i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

    ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

    iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal financial controls with reference to the standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements as at March 31, 2022:

   The Company's internal financial controls relating to application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in non-recognition of interest expense as indicated in Note 15B to the standalone financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to the standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim standalone financial statements will not be prevented or detected on a timely basis.

Qualified opinion

10. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and except for the effects of the material weakness described in the Basis for Qualified Opinion paragraph above, such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

11. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Visa Steel Limited which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss including other comprehensive income and Cash Flow Statement and the Statement of changes in equity for the year ended, and a summary of significant accounting policies and other explanatory information. Resultant impact of this material weakness has been appropriately considered in our audit of the March 31, 2022 standalone financial statements of VISA Steel Limited and this report affect our report dated May 30, 2022, which expressed a qualified opinion on those standalone financial statements.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWXSG8497

Place: Kolkata
Date: May 30, 2022

BALANCE SHEET

as at 31 March 2022

All amount in ₹ Million, unless otherwise stated

Sl.No.	Particulars	Note	As at 31 March 2022	As at 31 March 2021
	ASSETS :			
I.	**Non-current Assets**			
	Property, Plant and Equipment including ROU Assets	3 A	9,884.45	10,296.25
	Capital work-in-progress	3 C	387.50	387.50
	Intangible Assets	3 B	0.49	1.09
	Financial Assets			
	(i) Investments	4	42.93	42.93
	(ii) Other Financial Assets	5	14.99	16.29
	Deferred Tax Assets (Net)	6	-	-
	Total Non-Current Assets		**10,330.36**	**10,744.06**
	Current Assets			
	Inventories	7	121.58	193.89
	Financial Assets			
	(i) Cash and cash equivalents	8	105.28	80.94
	(ii) Other Bank balances [other than (i) above]	9	20.80	20.70
	(iii) Others Financial Assets	10	0.61	0.82
	Current Tax Assets (Net)	11	98.45	84.79
	Other current Assets	12	4,230.28	4,131.07
	Total Current Assets		**4,577.00**	**4,512.21**
	TOTAL ASSETS		**14,907.36**	**15,256.27**
II.	**EQUITY AND LIABILITIES:**			
	Equity			
	Equity Share Capital	13 A	1,157.90	1,157.90
	Other Equity	13 B	(4,246.84)	(3,720.82)
	Total Equity		**(3,088.94)**	**(2,562.92)**
	Liabilities			
	Non-Current Liabilities			
	Financial Liabilities			
	-Lease Liabilities	14	454.10	461.32
	Provisions	15	41.73	46.29
	Total Non Current Liabilities		**495.83**	**507.61**
	Current Liabilities			
	Financial Liabilities			
	(i) Borrowings	16	13,473.14	13,472.36
	(ii) Lease Liabilities	17	27.59	23.05
	(iii) Trade Payables	18		
	(A) total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(B) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		281.07	473.91
	(iv) Other financial liabilities	19	2,065.91	2,092.33
	Other current liabilities	20	1,644.29	1,241.42
	Provisions	21	8.47	8.51
	Total Current Liabilities		**17,500.47**	**17,311.58**
	TOTAL EQUITY AND LIABILITIES		**14,907.36**	**15,256.27**

This is the Balance Sheet
referred to in our report of even date

The accompanying Notes form an
integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2022

All amount in ₹ Million, unless otherwise stated

Sl.No.	Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue From operations	22	7,920.03	6,111.19
II	Other Income	23	12.32	5.23
III	**Total Income**		**7,932.35**	**6,116.42**
IV	**EXPENSES**			
	Cost of materials consumed	24	4,500.51	3,150.94
	Changes in inventories of finished goods and Work-in-Progress	25	36.53	16.91
	Employee benefit expense	26	284.76	267.49
	Finance costs	27	239.72	196.06
	Depreciation and amortization expense	28	462.62	465.16
	Other expenses	29	2,933.91	2,771.16
	Total Expenses		**8,458.05**	**6,867.72**
V	**Profit/(Loss) before Exceptional Items and Tax**		**(525.70)**	**(751.30)**
VI	Exceptional items	30	-	2,151.17
VII	**Profit/(Loss) before Tax**		**(525.70)**	**(2,902.47)**
VIII	Tax Expenses			
	1) Current Tax		-	-
	2) Deferred Tax		-	-
IX	**Profit/(loss) for the year**		**(525.70)**	**(2,902.47)**
X	**Other comprehensive income**	31		
A (i)	Items that will not be reclassified to profit or loss		(0.32)	(12.88)
(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	**Total Comprehensive Income for the year**		**(526.02)**	**(2,915.35)**
XII	**Earnings/(Loss) per Equity Share (Face value of ₹ 10 per equity share)**			
	1) Basic (₹)	32	**(4.54)**	**(25.07)**
	2) Diluted (₹)		**(4.54)**	**(25.07)**

This is the Statement of Profit and Loss referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2022

A EQUITY SHARE CAPITAL

All amount in ₹ Million, unless otherwise stated

Particulars	Note	Balance as on 1 April 2021	Change in Share Capital due to prior period errors	Restated balance at the 1 April 2021	Change in Share Capital during 2021-22	Balance as on 31 March 2022
Equity Share Capital	13 A	1,157.90	-	1,157.90	-	1,157.90
Particulars		**Balance as on 1 April 2020**	**Change in Share Capital due to prior period errors**	**Restated balance at the 1 April 2020**	**Change in Share Capital during 2020-21**	**Balance as on 31 March 2021**
Equity Share Capital		1,157.90	-	1,157.90	-	1,157.90

Particulars	Balance as on 1 April 2020	Change in Share Capital due to prior period errors	Restated balance at the 1 April 2020	Change in Share Capital during 2020-21	Balance as on 31 March 2021
Equity Share Capital	1,157.90	-	1,157.90	-	1,157.90

B OTHER EQUITY

		Reserves and Surplus				
Particulars	Note	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1 April 2020	13 B	**4,601.53**	**1,645.00**	**110.24**	**(7,162.24)**	**(805.47)**
Changes in accounting policy or prior period errors		-	-	-	-	-
Restated balance as at 1 April 2020		**4,601.53**	**1,645.00**	**110.24**	**(7,162.24)**	**(805.47)**
Profit/(Loss) for the year		-	-	-	(2,902.47)	(2,902.47)
Other Comprehensive Income		-	-	-	(12.88)	(12.88)
Balance as at 31 March 2021		**4,601.53**	**1,645.00**	**110.24**	**(10,077.59)**	**(3,720.82)**
Changes in accounting policy or prior period errors		-	-	-	-	-
Restated balance as 31 March 2021		**4,601.53**	**1,645.00**	**110.24**	**(10,077.59)**	**(3,720.82)**
Profit/(Loss) for the year		-	-	-	(525.70)	(525.70)
Other Comprehensive Income		-	-	-	(0.32)	(0.32)
Balance as at 31 March 2022		**4,601.53**	**1,645.00**	**110.24**	**(10,603.61)**	**(4,246.84)**

This is the Statement of changes in Equity referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

CASH FLOW STATEMENT
for the year ended 31 March 2022

All amount in ₹ Million, unless otherwise stated

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A.	**Cash Flow from Operating Activities**		
	Profit / (Loss) before tax for the year	(525.70)	(2,902.47)
	Adjustments to reconcile profit before tax for the year to net cash flows:		
	Depreciation and Amortization Expenses	462.62	465.16
	Finance Costs	86.38	88.40
	Amortization of Processing Fees	0.78	0.67
	Allowance for doubtful debts, advances etc. no longer required written back	(0.34)	5.24
	Liabilities no longer required written back	(31.45)	(69.33)
	Loss on Assets retirement/write off	4.65	362.52
	Adjustments for exceptional items	-	2,151.17
	Interest income classified as investing cash flows	(0.62)	(2.68)
	(Gain)/Loss on disposal of property, plant and equipment	(1.68)	-
	Other non- cash items	35.30	10.79
	Operating Profit/(Loss) before changes in operating assets and liabilities	**29.94**	**109.47**
	Working capital adjustments:		
	Increase/(Decrease) in trade payable and current liabilities	150.93	241.76
	(Increase)/Decrease in Inventories	72.31	(21.34)
	(Increase)/Decrease in other non current /current assets	(97.46)	(168.31)
	Cash flow from/(used in) Operation	**155.72**	**161.58**
	Income Taxes (paid)/ refund	(13.66)	(2.68)
	Net Cash flow from/(used in) Operating Activities	**142.06**	**158.90**
B.	**Cash Flow from Investing Activities**		
	Payment for acquisition of property, plant and equipment and intangible assets	(37.72)	(0.44)
	Proceeds from sale of property, plant and equipment and intangible assets	5.85	-
	Interest received	0.62	3.77
	Net Cash flow from/(used in) Investing Activities	**(31.25)**	**3.33**
C.	**Cash Flow from Financing Activities**		
	Payments of long-term borrowings	-	(18.29)
	Payments of short-term borrowings	-	(0.39)
	Lease Payment (As per Ind AS 116)	(74.90)	(73.03)
	Finance Costs paid	(11.57)	(53.10)
	Net Cash flow from/(used in) Financing Activities	**(86.47)**	**(144.81)**
	Net increase/(Decrease) in Cash and cash equivalents (A+B+C)	**24.34**	**17.42**
D.	**Cash and cash equivalents**		
	Net increase/(Decrease) in Cash and cash equivalents	24.34	17.42
	Cash and cash equivalents at the Beginning of the year	80.94	63.52
	Cash and cash equivalents at the end of the year	**105.28**	**80.94**

CASH FLOW STATEMENT
for the year ended 31 March 2022

All amount in ₹ Million, unless otherwise stated

(a) Cash and cash equivalents consist of cash in hand and balance with banks and deposits with banks.

	Year ended 31 March 2022	Year ended 31 March 2021
Balance with Banks in		
Current Account	105.11	80.77
Cash in hand	0.17	0.17
Cash and cash equivalents as at 31 March (Refer Note 9)	**105.28**	**80.94**

(b) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)'.

(c) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	Balance as on 1 April 2021	Cash Flow	Non cash changes		Balance as on 31 March 2022
			Recognition/ Others	Fair Value Adjustment	
Current maturity of Long term Borrowings	10,708.42	-	-	0.78	10,709.20
Short term Borrowings	2,763.94	-	-	-	2,763.94
Deemed Lease Liabilities (As per Ind AS 116)	484.37	(74.90)	72.22	-	481.69
Total Liabilities from financing Activities	**13,956.73**	**(74.90)**	**72.22**	**0.78**	**13,954.83**

This is the Cash Flow Statement referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

VISA Steel Limited ("VSL" or "the Company") is engaged in the manufacturing of High Carbon Ferro Chrome with captive power plant incorporated on 10 September 1996, VSL has its registered office at Bhubaneswar and Corporate Office in Kolkata with manufacturing facilities at Kalinganagar in Odisha.VSL is a Public Limited Company with its shares listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ESTIMATES & JUDGEMENTS

2.1 Basis of preparation of financial statements

2.1.1 Compliance with Ind AS

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 [As amended] notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to Standalone Financial Statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

This Note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.2 Historical cost convention

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following:

- certain financial assets and liabilities including derivative instruments measured at fair value
- defined benefit plans - plan assets measured at fair value

2.1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is current when it is :

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

2.2 Summary of significant accounting policies

2.2.1 Financial instruments

2.2.1.1 A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset

i) Classification and measurement

(a) Classification

The Company classifies its financial assets, other than investments in subsidiaries and joint venture in the following measurement categories:

1) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company reclassifies debt investments only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, all financial assets are measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There is only one measurement category into which the Company classifies its debt instruments as follows:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts which are repayable on demand and form an integral part of an entity's cash management system. Other bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40A details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the financial asset have been transferred, or
- The Company retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognised.

When the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement of the asset.

iv) Income recognition

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.2.1.2 Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities includes trade and other payables and loans and borrowings including bank overdrafts.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as Fair Value Through Profit or Loss, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Company transfers the cumulative gain or loss to other equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Trade and other payables

These amount represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities unless payments are not due for payment within 12 months from the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost model.

iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

2.2.1.3 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

subsequently re-measured to their fair value at the end of each reporting period.

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks which are not designated as hedges. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of such derivatives is recognised as income or expense through profit or loss.

2.2.1.4 Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.2.1.5 Investments in subsidiaries and joint venture

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment loss, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the difference between net disposal proceeds and the carrying amounts is recognised in the statement of profit and loss.

2.2.2 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income/expenses.

Depreciation methods, estimated useful lives and residual values

Depreciation including amortization where applicable is provided on pro-rata basis under Straight Line Method (SLM) over the estimated useful lives of the assets as specified in Schedule II to the Companies Act, 2013 ('the Act'), which is also supported by technical assessment carried out by the Company other than the following:

- Leasehold assets(Buildings and Plant and Machinery) which are jointly held are amortized over the period of lease i.e., 6 to10 years, being lower than the useful lives specified in Schedule II to the Act for similar assets.
- Furnace refractories are depreciated over useful life of 5-6 years based on technical assessment carried out by the Company
- Leasehold land is amortized over the period of lease.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized and depreciated under SLM on pro-rata basis at the rates specified therein. Other spare parts are carried as inventory and recognized in the income statement on consumption.

The property, plant and equipment acquired under leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Residual value: The residual values are not more than 5% of the original cost of the assets. The useful lives, residual values and method of depreciation of property plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting period.

2.2.3 Intangible assets

Intangible assets (Computer Software) are carried at cost less accumulated amortization and accumulated impairment loss, if any. Computer Software for internal use, which is primarily acquired, is capitalized. Subsequent costs associated with maintaining such software are recognized as expense as incurred. Cost of Software includes licenses fees and cost of implementation, system integration services etc. where applicable.

Amortization

The Company amortizes intangible assets (Computer Software) with a finite useful life using the straight line method over a period of 3 years .

2.2.4 Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit or loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

2.2.5 Leases

The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

1. Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives.
2. Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
3. The amount expected to be payable by the lessee under residual value guarantees.
4. The exercise price of purchase options, if the lessee is reasonably certain to exercise the options, and
5. Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.
6. The Company has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.

The lease liability is not presented as a separate line in the Balance Sheet but presented as a seperate line item in the note disclosing both current and non-current other financial liabilities .

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statements".

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.2.6 Capital work-in-progress

The items of property, plant and equipment which are not yet ready for use are disclosed as capital work-in-progress and are carried at historical cost or recoverable value, whichever is lower.

2.2.7 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates, input tax credits and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.2.8 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. However contingent liabilities are not considered. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.2.9 Revenue from Operations

The company derives revenue primarily from conversion of raw material into finished products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company disaggregates revenue from contracts with customers by major product lines.

2.2.10 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.2.11 Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period on government bonds using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as provident fund.

Defined benefit plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.2.12 Foreign currency transactions

The Company's financial statements are presented in Indian Rupee which is also the functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.2.13 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.2.14 Earnings per share

Basic Earning per Share is calculated by dividing the profit for the year attributable to equity holders(or owners) of the Company by the weighted average number of equity shares outstanding during the year.

Diluted Earning per Share is calculated by dividing the profit attributable to equity holders (or owners) of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.2.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 36 for details on segment information presented. Chief Operating Decision Making Group consists of the Executive Chairman, Vice Chairman & Managing Director, the Director(Kalinganagar) and the CFO.

2.3 Critical accounting judgment and key sources of estimation uncertainty

a. **Impairment of non-current assets –** Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

   In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets. However, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

   Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

b. **Defined Benefit Plans –** The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 26.

c. **Taxes –** The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

d. **Leases –** The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. The lease payments that are not paid at the commencement date are discounted using the incremental borrowing rate. The lease payment includes fixed lease payment, variable lease payment, exercise price of purchase option, penalties for termination of contrct and any amount expected to pay.

e. **Useful lives of depreciable/ amortisable assets (tangible and intangible)-** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

2.4 (A) New Standards / Amendments to Existing Standard issued but not yet effective and Recent pronouncements –

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below-

(a) Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022.

(b) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(c) Ind AS 103 – Business Combination-Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

(d) Ind AS 109 – Financial Instruments- Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

(e) Ind AS 106- Exploration for and Evaluation of Mineral Resources- Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law. However as envisaged by the companies management the impact of the above amendment shall not be material.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3A PROPERTY, PLANT & EQUIPMENT

All amount in ₹ Million, unless otherwise stated

	Gross Carrying Amount				Accumulated Depreciation/Amortization				Net Carrying Amount	
Particulars	**As at 1 April 2021**	**Additions during the year**	**Disposals / Adjustments during the Year**	**As at 31 March 2022**	**As at 1 April 2021**	**For the Year**	**Disposals / Adjustments during the Year**	**As at 31 March 2022**	**As at 31 March 2022**	**As at 31 March 2021**
Owned										
Land- Freehold	15.63	-	-	15.63	-	-	-	-	15.63	15.63
Land- Leasehold	284.50	-	-	284.50	24.06	3.75	-	27.81	256.69	260.44
Factory Buildings	1,962.27	-	-	1,962.27	388.51	66.63	-	455.14	1,507.13	1,573.76
Buildings	854.07	-	0.79	853.28	118.47	20.71	0.19	138.99	714.29	735.60
Road	374.31	-	-	374.31	346.76	1.80	-	348.56	25.75	27.55
Plant & Machinery	9,365.11	37.72	49.79	9,353.04	2,097.50	337.88	44.51	2,390.87	6,962.17	7,267.61
Computers	5.60	-	0.88	4.72	4.79	0.14	0.47	4.46	0.26	0.81
Office Equipment	4.25	-	2.16	2.09	3.24	0.10	1.41	1.93	0.16	1.01
Furniture & Fixtures	26.35	-	9.94	16.41	23.69	0.22	8.91	15.00	1.41	2.66
Vehicles	32.76	-	1.08	31.68	24.28	2.17	0.93	25.52	6.16	8.48
Capital Spares	4.91	-	-	4.91	1.14	0.08	-	1.22	3.69	3.77
Right of use assets (Deemed disclosure as per Ind AS 116)										
Plant & Machinery	561.46	21.32	-	582.78	162.53	29.14	-	191.67	391.11	398.93
Total	**13,491.22**	**59.04**	**64.64**	**13,485.62**	**3,194.97**	**462.62**	**56.42**	**3,601.17**	**9,884.45**	**10,296.25**
2020-21	**13,537.37**	**0.44**	**46.59**	**13,491.22**	**2,746.42**	**464.99**	**16.44**	**3,194.97**	**10,296.25**	**10,790.95**

3B INTANGIBLE ASSETS

	Gross Carrying Amount				Accumulated Depreciation/Amortization				Net Carrying Amount	
Particulars	**As at 1 April 2021**	**Additions during the year**	**Disposals / Adjustments during the Year**	**As at 31 March 2022**	**As at 1 April 2021**	**For the Year**	**Disposals / Adjustments during the Year**	**As at 31 March 2022**	**As at 31 March 2022**	**As at 31 March 2021**
Computer Software	8.46	-	6.18	2.28	7.37	-	5.58	1.79	0.49	1.09
2020-21	**8.46**	**-**	**-**	**8.46**	**7.20**	**0.17**	**-**	**7.37**	**1.09**	**1.26**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

3C CAPITAL WORK IN PROGRESS

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	387.50	2,902.72
Addition	-	-
Write off	-	(2,515.22)
Closing Balance #	**387.50**	**387.50**

Represents residual value of abandoned projects. Hence no ageing and expected completion schedule is disclosed.

3D The Company has till date incurred pre-operative expenses and interest cost of ₹ 4,887.05 million and allocated to respective assets in earlier years.

3E Refer Note no. 38 for details of hypothecation/mortgage of Property, Plant and Equipments.

Particulars	As at 31 March 2022	As at 31 March 2021
4 NON-CURRENT INVESTMENTS		
Unquoted		
Investments in Equity Instruments (fully paid up)		
Investment in Subsidiaries (At amortised cost)		
Kalinganagar Chrome Private Limited	0.60	0.60
60,000 (31 March 2021 : 60,000) Equity Shares of		
₹ 10/- each fully paid up [Including beneficial interest in 1 Equity		
Shares of ₹ 10/- each, fully paid up]		
Kalinganagar Special Steel Private Limited	0.70	0.70
70,000 (31 March 2021 : 70,000) Equity Shares		
of ₹ 10/- each, fully paid up [Including beneficial interest in 1 Equity		
Shares of ₹ 10/- each, fully paid up]		
Investment in Joint Venture (At amortised cost)		
VISA Urban Infra Limited @	10.00	10.00
1,000,000 (31 March 2021 : 1,000,000) Equity		
Shares of ₹ 10/- each, fully paid up		
Investment-Others (At fair value through profit and loss)		
VISA Coke Limited	31.63	31.63
1,054,476 (31 March 2021 : 1,054,476) Equity		
Shares of ₹ 10/- each fully paid up		
Aggregate amount of unquoted investments	**42.93**	**42.93**

@ For charges created in respect of shareholding in VISA Urban Infra Limited, refer Note 16C (iv).

Particulars	As at 31 March 2022	As at 31 March 2021
5 NON-CURRENT -OTHER FINANCIAL ASSETS		
Security Deposits with Others	14.99	16.08
Fixed Deposit with Banks with maturities more than 12 months	-	0.21
	14.99	**16.29**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
6 DEFERRED TAX ASSETS (NET)		
The balance comprises temporary differences attributable to:		
Deferred Tax Assets (A)		
Investments in Joint Ventures	2.05	2.02
Inventories	0.68	0.72
Allowance for Doubtful Advances	1.27	1.36
Liabilities as per Ind-AS 116	121.23	169.26
Provisions for Employee Benefits	12.64	19.14
Interest Accrued	454.40	630.90
Disallowances allowable for Tax purpose on payment	371.04	433.71
Unabsorbed Depreciation & Business Loss Carried Forward	689.87	393.59
	1,653.18	**1,650.70**
Deferred Tax Liabilities (B)		
Property, Plant and Equipment and Intangible Assets	(1,653.18)	(1,650.44)
Amortization of processing fees on borrowings	-	(0.26)
	(1,653.18)	**(1,650.70)**
Net Deferred Tax Assets (A-B)	**-**	**-**

Note: The company has recognised deferred tax assets in respect of brought forward losses and unabsorbed depreciation to the extent of deferred tax liability only, as there is no reasonable certainty supported by convincing evidence that sufficient taxable profits will be available against which the unused tax losses can be utilized.

Movements in Deferred Tax Assets during the year ended:

31 March 2022	Opening Balance	Recognised in Profit/(Loss)	Closing Balance
Deferred Tax Assets/(Liabilities) in relation to :			
Investments in Joint Ventures	2.02	0.03	2.05
Inventories	0.72	(0.04)	0.68
Allowance for Doubtful Advances	1.36	(0.09)	1.27
Liabilities as per Ind-AS 116	169.26	(48.03)	121.23
Provisions for Employee Benefits	19.14	(6.50)	12.64
Interest Accrued	630.90	(176.50)	454.40
Disallowances allowable for Tax purpose on payment	433.71	(62.67)	371.04
Unabsorbed Depreciation & Business Loss Carried Forward	393.59	296.28	689.87
Total Deferred Tax Assets	**1,650.70**	**2.48**	**1,653.18**
Property Plant and Equipment and Intangible Assets	(1,650.44)	(2.74)	(1,653.18)
Amortization of Processing fees on Borrowings	(0.26)	0.26	-
Total Deferred Tax Liabilities	**(1,650.70)**	**(2.48)**	**(1,653.18)**
Net (Charge)/Credit	**-**	**-**	**-**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Movements in Deferred Tax Assets during the year ended:

31 March 2021	Opening Balance	Recognised in Profit/(Loss)	Closing Balance
Deferred Tax Assets/(Liabilities) in relation to :			
Investments in Joint Ventures	1.70	0.32	2.02
Inventories	1.00	(0.28)	0.72
Allowance for Doubtful Advances	3.32	(1.96)	1.36
Liabilities as per Ind-AS 116	187.60	(18.34)	169.26
Provisions for Employee Benefits	14.20	4.94	19.14
Interest Accrued	630.90	-	630.90
Disallowances allowable for Tax purpose on payment	287.73	145.98	433.71
Unabsorbed Depreciation & Business Loss Carried Forward	1,502.30	(1,108.71)	393.59
Total Deferred Tax Assets	**2,628.75**	**(978.05)**	**1,650.70**
Property Plant and Equipment and Intangible Assets	(2,628.25)	977.81	(1,650.44)
Amortization of Processing fees on Borrowings	(0.50)	0.24	(0.26)
Total Deferred Tax Liabilities	**(2,628.75)**	**978.05**	**(1,650.70)**
Net (Charge)/Credit	**-**	**-**	**-**

Particulars	As at 31 March 2022	As at 31 March 2021
7 INVENTORIES		
Raw Materials	55.40	109.37
Work-in-Progress	-	31.15
Finished Goods	-	0.43
Stores and Spares	66.00	47.81
By-products	0.18	5.13
	121.58	**193.89**

See note 38 for details of hypothecation of inventories.

Particulars	As at 31 March 2022	As at 31 March 2021
8 CASH AND CASH EQUIVALENTS		
Balance with Banks		
in Current Account (Refer Note (a) below)	105.11	80.77
Cash in hand	0.17	0.17
	105.28	**80.94**

(a) The Company is not able to operates its Bank Account as the case filed by Kohli Builders is subjudice. The Company has been taking support of related parties for making payments on behalf of the Company to keep the plant operational.

Particulars	As at 31 March 2022	As at 31 March 2021
9 OTHER BANK BALANCES [OTHER THAN CASH AND CASH EQUIVALENTS]		
Fixed Deposit with Banks with maturities less than 12 months	20.80	20.70
	20.80	**20.70**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
10 OTHER CURRENT FINANCIAL ASSETS		
Interest Accrued on Fixed Deposits	0.61	0.82
	0.61	**0.82**

Particulars	As at 31 March 2022	As at 31 March 2021
11 CURRENT TAX ASSETS (NET)		
Income Tax Assets (Tax Deducted at Source & Tax Collected at Source)	98.45	84.79
	98.45	**84.79**

Particulars	As at 31 March 2022	As at 31 March 2021
12 OTHER CURRENT ASSETS		
Advances against Supply of goods and rendering services		
Considered Good	90.11	70.72
Considered Doubtful	5.06	5.40
Less: Allowances for doubtful Advances	(5.06)	(5.40)
Contract Assets	85.12	132.98
Advances to Related Party	0.34	0.25
Employee Advance	2.77	0.70
Receivable from DGFT and Customs towards Export Incentive	-	0.18
Insurance Receivable	-	2.18
Prepaid Expenses	4.13	8.32
Others taxes receivable / adjustable	85.23	138.83
Receivable from Subsidiary (Refer note 44 (d)(i))	3,962.58	3,776.91
	4,230.28	**4,131.07**

Particulars	As at 31 March 2022	As at 31 March 2021
13 EQUITY SHARE CAPITAL AND OTHER EQUITY		
A Equity Share Capital		
Authorised		
252,000,000 Equity Shares (31 March 2021 : 252,000,000) of ₹ 10/- each	2,520.00	2,520.00
Issued, Subscribed and Paid-up		
115,789,500 Equity Shares (31 March 2021 : 115,789,500) of ₹ 10/- each fully paid up	**1,157.90**	**1,157.90**

(a) Movements in Equity Share Capital

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	115,789,500	1,157.90	115,789,500	1,157.90
Add : Shares issued during the year	-	-	-	-
Balance as at the end of the year	**115,789,500**	**1,157.90**	**115,789,500**	**1,157.90**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10 per share. Each Shareholder is entitled to one vote per share held. The Company declares and pays dividend in Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of Shareholders holding more than 5 % shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
VISA Infrastructure Limited	44,387,167	38.33	44,387,167	38.33
VISA International Limited	23,787,833	20.54	23,787,833	20.54
Vikasa India EIF I Fund	10,788,087	9.32	4,998,087	4.32
ERISKA Investment Fund Ltd	9,912,036	8.56	9,912,036	8.56
LTS Investment Fund Limited	-	-	10,497,122	9.07

(d) Disclosure of shareholding of promoters

Promoter name	As at 31 March 2022			As at 31 March 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
VISA Infrastructure Limited	44,387,167	38.33	-	44,387,167	38.33	-

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
B	**Other Equity**		
	Reserves and Surplus		
	Capital Reserve	4,601.53	4,601.53
	Securities Premium	1,645.00	1,645.00
	General Reserve	110.24	110.24
	Retained Earnings	(10,603.61)	(10,077.59)
	Total	**(4,246.84)**	**(3,720.82)**
	Capital Reserve [Refer (a) below]		
	Balance at the beginning of the year	4,601.53	4,601.53
	Balance at the end of the year	**4,601.53**	**4,601.53**
	Securities Premium Reserve [Refer (b) below]		
	Balance at the beginning of the year	1,645.00	1,645.00
	Balance at the end of the year	**1,645.00**	**1,645.00**
	General Reserve [Refer (c) below]		
	Balance at the beginning of the year	110.24	110.24
	Balance at the end of the year	**110.24**	**110.24**
	Retained Earnings		
	Balance as at the beginning of the year	(10,077.59)	(7,162.24)
	Add : Net (Loss) / Profit after Tax transferred from Statement of Profit and Loss	(525.70)	(2,902.47)
	Add: Remeasurements Gain/ (Loss) of the net defined benefit Plan	(0.32)	(12.88)
	Balance as at the end of the year	**(10,603.61)**	**(10,077.59)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Nature and purpose of Reserves

(a) Capital Reserve represents amount arisen pursuant to various Scheme of Amalgamation.

(b) Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the specific provisions of the Act.

(c) General Reserve represents free reserve not held for any specific purpose.

Particulars	As at 31 March 2022	As at 31 March 2021
14 NON CURRENT LEASE LIABILITIES		
Long Term maturities of lease Obligations [Refer Note 41] (Deemed disclosure as per Ind AS 116)	454.10	461.32
	454.10	**461.32**

Particulars	As at 31 March 2022	As at 31 March 2021
15 NON CURRENT PROVISIONS		
Provision for Employee Benefits	41.73	46.29
	41.73	**46.29**

Particulars	As at 31 March 2022	As at 31 March 2021
16 CURRENT - BORROWINGS		
Secured Borrowings (Refer (a), B and C below)		
(i) Working Capital Loans		
From Banks	2,113.50	2,113.50
From Other Parties	650.44	650.44
(ii) Current maturities of long-term borrowing		
From Banks	6,996.27	6,995.49
From Other Parties	3,270.43	3,270.43
Unsecured Borrowings		
Loan repayable to related party (Refer D below)	442.50	442.50
	13,473.14	**13,472.36**

(a) The debts of the Company have been classified as Non-Performing Assets (NPA) and are barred by limitation from the NPA date of 11 July 2012 and accordingly the entire debt classified as current is disputed.

A. Debt Restructuring

The Company has been under financial stress due to various external factors beyond the control of the Company and its management which amongst others, include (i) failure of the State Government of Odisha to fulfil its obligation under the MOU executed with the Company for grant of Captive Mines, which has deprived the Company of assured supply of consistent quality of raw material at a reasonable cost, (ii) de-allocation of Coal Block by Ministry of Coal and Hon'ble Supreme Court judgment dated 24 September 2014, which has deprived the Company of assured supply of consistent quality of coal at a reasonable cost, (iii) non-availability of vital raw materials at viable prices due to closure of Mines following the investigations by Shah Commission which commenced sometime in 2011 and the Hon'ble Supreme Court judgment dated 16 May 2014, (iv) dumping of Steel and Stainless Steel products by overseas manufacturers resulting in sharp drop in prices, (v) high cost of logistics for transportation of raw materials as these rates are fixed by Associations at rates much above the Government notified rates, (vi) non-disbursement of sanctioned loans for Plant operations and adjustment of disbursed loan with interest / principal repayment instead of plant operations, which resulted in complete depletion of working capital of the Company. The Company has also

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

informed lenders that it reserves its right to claim losses suffered due to the actions and inactions of lenders arising out of breaches and violations of contractual and other arrangements and such claim amount shall be claimed as a right of set-off against any dues.

Due to the aforesaid external factors, the EBITDA margins of the Company since 2011-12 have not been sufficient to service interest / principal repayment and whilst the outstanding principal term loan amount was only 3,850.00 Million as on 1 April 2013, during the period April 2013 to March 2016, the lenders have charged/recovered approx. 4,258.51 Million on account of interest/ repayment whereas EBITDA during this period was only approx. 1,413.93 Million. This has resulted in ballooning of liabilities of the Company towards its lenders, which are far in excess of the hard cost of investments in the project for which the principal term loan had been taken from the lenders.

The Company's debts had been restructured under the aegis of Corporate Debt Restructuring cell (CDR) and a Master Restructuring Agreement (MRA) dated 19 December 2012 was executed to give effect to the package approved by CDR cell with effect from 1 March 2012. Pursuant to the approval of the Company's Business Re-organisation Plan by the CDR, a Common Loan Agreement (CLA) had also been executed among the Company, VISA Special Steel Limited (VSSL) and lenders.

SBI had filed an application before Hon'ble National Company Law Tribunal (NCLT) for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC) against the Company, which was dismissed by NCLT, Cuttack Bench. SBI preferred an appeal before Hon'ble National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed NCLT to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Company in the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on 9 September 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has filed an application before NCLT for initiating CIRP under IBC against the Company. The Company is contesting the above in consultation with its Advocates.

The lenders like Bank of Baroda, Dena Bank (since merged with Bank of Baroda), Indian Overseas Bank, Central Bank of India, UCO Bank, Vijaya Bank (since merged with Bank of Baroda), SIDBI and State Bank of Travancore (since merged with State Bank of India) have already implemented Resolution through Sale of Debt to Asset Reconstruction Companies (ARC's).

The Company does not have working capital and is presently carrying its operation with the support of the operational creditors. Due to the application filed by SBI in NCLT, there is panic among operational creditors whose financial support is necessary for plant operations, without which there is risk of plant closure, agitation and law and order problems from workers. The Company has not filed quarterly returns or statements with Banks or Financial Institutions as its debt is categorised as NPA.

B The Company stopped providing further interest in its books effective 1 April 2016 since the debt is barred by limitation from the NPA date of 11 July 2012. The amount of such interest not provided for in the financial year ended 31 March 2022 is estimated at ₹ 1,289.27 million and the accumulative amount of such unprovided interest as on the said date is estimated at ₹ 8,496.93 million.

C Details of Securities (Also refer note 38)

(i) First pari-passu charge by way of hypothecation of all the Company's current assets and fixed assets (excluding land) including movable and immovable plant and machinery, machinery spares, tools and accessories, vehicles and other movable assets both present and future ("Hypothecated Assets") of the Company, save and except specific assets charged to Banks, Financial Institutions and Non Banking Financial Companies (NBFC).

(ii) First pari-passu mortgage and charge on the immovable properties of the Company situated at Kalinganagar Industrial Complex, Jajpur, (Odisha), Golagaon, Jajpur, (Odisha), Raigarh, (Chhattisgarh) and office premises of the Company at Bhubaneswar, (Odisha).

(iii) Pursuant to CDR, pledge of equity shares of the Company with the CDR Lenders.

(iv) Pledge of entire Equity Shares held by the Company in VISA Urban Infra Limited.

(v) Lien on all Bank Accounts including the Trust and Retention Account.

(vi) The Lenders of SMCF are having a second pari-passu charge on the hypothecated assets and a second charge on the mortgaged assets of the Company.

(vii) The Corporate Guarantee of VISA International Limited(VINL) was provided pursuant to CDR. SBI had filed an application before National Company law Tribunal, Kolkata Bench (NCLT) to initiate Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 against VINL which was admitted vide Order dated 7 August 2019. NCLT, by its Order dated 11.05.2021 had allowed liquidation of VINL. The liquidation of VINL has been completed through sale as a going concern vide NCLT order dated 3 March 2022. Consequent to the same, VINL ceases to be the part of promoter group.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(viii) The personal guarantee of Mr. Vishambhar Saran, Chairman and Mr. Vishal Agarwal, Vice Chairman and Managing Director of the Company are invalid due to non-fulfilment of its obligation by lenders, and the matter is sub judice.

D Unsecured loan from related party is interest bearing and is repayable on demand.

Particulars	As at 31 March 2022	As at 31 March 2021
17 CURRENT LEASE LIABILITIES		
Current Maturities of Lease Obligations [Refer Note 41] (Deemed disclosure as per Ind AS 116)	27.59	23.05
	27.59	**23.05**

Particulars	As at 31 March 2022	As at 31 March 2021
18 CURRENT - TRADE PAYABLES		
Dues to Related Party	-	50.65
Dues to other than Micro and Small Enterprises	281.07	423.26
	281.07	**473.91**

Trade Payables Ageing Schedule

Particulars	As on 31 March 2022						
	Unbilled due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8.35	176.43	32.61	-	-	-	217.39
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	2.09	-	-	-	-	61.59	63.68
Total	**10.44**	**176.43**	**32.61**	**-**	**-**	**61.59**	**281.07**

Particulars	As on 31 March 2021						
	Unbilled due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.23	133.46	213.17	56.65	1.09	-	408.60
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	2.09	0.30	-	-	-	62.92	65.31
Total	**6.32**	**133.76**	**213.17**	**56.65**	**1.09**	**62.92**	**473.91**

There are no outstanding creditors registered under Micro, Small and Medium Enterprises Development Act, 2006. As a result no interest provision/ payments have been made by the company to such creditors, nor any amounts are shown as due to them.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
19 OTHER CURRENT FINANCIAL LIABILITIES		
Interest accrued (Refer Note 16(B))	1,920.47	1,896.56
Employee related liabilities	51.15	70.87
Other liabilities	94.29	124.90
	2,065.91	**2,092.33**

Particulars	As at 31 March 2022	As at 31 March 2021
20 OTHER CURRENT LIABILITIES		
Contract Liabilities	166.74	-
Statutory liabilities (includes Goods and Service Tax, Excise Duty, Tax Deducted at Source, Provident Fund, Employee State Insurance etc.)	62.16	206.71
Electricity Duty#	1,415.39	1,034.71
	1,644.29	**1,241.42**

This includes liability related to Electricity Duty levied on power generated from non-conventional sources which the Company has disputed.

As per the provisions of Industrial Policy Resolution 2001, Government of Odisha (IPR 2001) dated 03.12.2001, "18.8 A power plant generating power from non-conventional sources set up after the effective date shall be deemed to be a new industrial unit and will be entitled to all the incentives under this policy. These plants will not be liable to pay electricity duty". The company has set up the power plant generating power from non-conventional sources after the effective date of IPR 2001 i.e. 03.12.2001 and hence is deemed to be a new industrial unit and not liable to pay electricity duty as per IPR 2001. However this liability has been provided on the basis of prudent accounting.

Particulars	As at 31 March 2022	As at 31 March 2021
21 CURRENT-PROVISIONS		
Provision for employee benefits	8.47	8.51
	8.47	**8.51**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
22 REVENUE FROM OPERATIONS		
(a) Sale of products		
Manufactured Goods	1.88	3,906.47
Total	**1.88**	**3,906.47**
(b) Sale of services		
Conversion Income	7,370.94	1,686.20
Total	**7,370.94**	**1,686.20**
(c) Other operating revenues		
Scrap Sales	26.45	16.29
Income from Shared Services	488.97	432.90
Liabilities no longer required written back	31.45	69.33
Allowances for doubtful debts, advances etc. no longer required written back	0.34	-
Total	**547.21**	**518.52**
	7,920.03	**6,111.19**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
(d)	**Contract balances**		
	The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.		
	Receivables, which are included in 'Trade and other receivables'		
	Contract assets	85.12	132.98
	Contract liabilities	166.74	-
(e)	**Other Information**		
	a) Transaction price allocated to the remaining performance obligations- NIL		
	b) The amount of revenue recognised in the current period that was included in the opening contract liability balance. - NIL		
	c) The amount of revenue recognised in the current period from performance obligations satisfied (or partially satisfied) in previous periods – e.g. changes in transaction price- NIL		
	d) Performance obligations- The Company satisfy the performance obligation on shipment/delivery as per the terms of contract.		
	e) Significant payment terms- The contract does not have any financing component and variable consideration.		
(f)	**Disaggregation of Revenue :** Revenue from manufactured goods mainly represents revenue from Sale of Ferro Chrome Products.		

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
23	**OTHER INCOME**		
(a)	**Interest Income**		
	On bank deposits	1.02	1.19
	On others	1.94	1.49
(b)	**Other non-operating income**		
	Insurance claim received	7.21	2.17
	Gain on sale of property, plant and equipment	1.68	-
	Rental and Other non operating income	0.47	0.38
		12.32	**5.23**

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
24	**COST OF MATERIALS CONSUMED**		
	Chrome Ore	4,124.35	2,177.09
	Coal and Coke	-	736.71
	Others	376.16	237.14
		4,500.51	**3,150.94**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Opening Stock		
Finished Goods	0.43	41.20
By-products	5.13	3.70
Work-in-Progress	31.14	8.71
	36.70	**53.61**
Less : Closing Stock		
Finished Goods	-	0.43
By-products	0.17	5.13
Work-in-Progress	-	31.14
	0.17	**36.70**
(Increase)/ Decrease in Stock	**36.53**	**16.91**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
26 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	262.04	246.87
Contribution to Provident and Other Funds	19.27	17.16
Staff Welfare Expenses	3.45	3.46
	284.76	**267.49**

Additional disclosures relating to Employee Benefit Obligations/ Expenses

(I) Post Employment Defined Contribution Plan

The Company contributes to the Provident Fund (PF) maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of ₹ 13.24 Million (31 March 2021 : ₹ 11.48 Million) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan - Gratuity (funded)

The Company provides for Gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LICI) make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days, as per provisions of Gratuity Act depending upon the tenure of service subject to a maximum limit of ₹ 2.00 Million. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2.2.11, based on which, the Company makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(III) Balance Sheet amounts - Post employment Defined Benefit Plan-Gratuity (Funded)

	Present value of obligation	Fair value of plan assets	Net Amount
1 April 2020	**26.46**	**0.78**	**25.68**
Current Service cost	3.72	-	3.72
Interest cost/Income	1.75	-	1.75
Past Service Cost	-	-	-
Investment Income	-	0.05	(0.05)
Total amount recognised in profit or loss	**5.47**	**0.05**	**5.42**
Remeasurements (gains)/losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	(1.17)	-	(1.17)
- Experience Variance (i.e. Actual Experience vs assumptions)	14.02	-	14.02
- Return on plan asset, Excluding amount recognised in net interest expense	-	(0.02)	0.02
Total amount recognised in Other Comprehensive Income	**12.85**	**(0.02)**	**12.87**
Contributions by employer	-	9.39	(9.39)
Benefits paid	(3.83)	(3.83)	-
1 April 2021	**40.95**	**6.37**	**34.59**
Current Service cost	3.51	-	3.51
Interest Cost/Income	2.83	-	2.83
Past Service Cost	-	-	-
Investment Income	-	0.44	(0.44)
Total amount recognised in profit or loss	**6.34**	**0.44**	**5.90**
Remeasurements (Gains)/Losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	(1.18)	-	(1.18)
- Experience Variance (i.e. Actual Experience vs assumptions)	1.24	-	1.24
- Return on plan asset, excluding amount recognised in net interest expense	-	(0.26)	0.26
Total amount recognised in Other Comprehensive Income	**0.06**	**(0.26)**	**0.32**
Contributions by employer	-	3.30	(3.30)
Benefits paid	(4.11)	(4.11)	-
31 March 2022	**43.24**	**5.74**	**37.51**

(IV) The net liability disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:		
Present Value of funded obligation at the end of the year	43.24	40.95
Less: Fair Value of Plan Assets at the end of the year	5.74	6.37
Net Asset /(Liability) recognised in the Balance Sheet	**37.50**	**34.58**

(V) Principal Actuarial Assumption Used:

Particulars	As at 31 March 2022	As at 31 March 2021
Discount Rates	7.20%	6.90%
Expected Salary Increase Rates	5.00%	5.00%
Attrition Rate	2% depending on age	2% depending on age

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
Mortality	100% of IALM (12-14)	100% of IALM (12-14)

The Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitors how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous period. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LICI which has good track record of managing fund.

(VI) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Insurer Managed Funds	100%	100%

(VII) Category of Plan Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fund with LIC	5.74	6.37
Total	**5.74**	**6.37**

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flow) is 10 Years.

The expected maturity analysis of undiscounted gratuity benefit is as follows:

Particulars	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2022					
Defined Benefit Obligation	5.61	9.45	20.19	58.26	93.51
As at 31 March 2021					
Defined Benefit Obligation	4.20	9.49	17.21	58.04	88.93

(VIII) Sensitivity Analysis

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at 31 March 2022		As at 31 March 2021	
Particulars	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	47.39	39.64	45.07	37.40
Salary Growth Rate (-/+1%)	39.62	47.19	37.39	44.84
Attrition Rate(-/+50%)	42.51	43.91	40.30	41.55
Mortality Rate(-/+10%)	43.12	43.36	40.85	41.06

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(IX) The Company expects to contribute ₹ 41.77 Millions (Previous Year ₹ 38.79 Millions) to its gratuity fund in 2022-23

Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
27 FINANCE COSTS		
Interest on statutory dues	152.56	106.99
Interest on Lease (Deemed disclosure as per Ind AS 116)	50.90	52.25
Interest expenses- Others	35.40	36.12
Bank Charges and Amortisation of Processing fees etc	0.86	0.70
	239.72	**196.06**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
28 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation and Amortisation Expenses on Property, Plant and Equipment	462.62	464.99
Amortization expense on Intangible Assets	-	0.17
	462.62	**465.16**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
29 OTHER EXPENSES		
Consumption of Stores and Spare Parts	608.55	365.49
Power and Fuel	1,595.18	1,517.48
Rent	0.64	0.86
Repairs to Buildings	9.75	6.48
Repairs to Machinery	30.38	28.27
Insurance Expenses	6.64	6.88
Rates and Taxes, excluding taxes on income	18.73	13.52
Material Handling Expenses	441.61	253.88
Freight and Selling Expenses	0.61	72.95
Allowance for Doubtful Advances	-	5.24
Capital Work-In-Progress Written Off	-	364.05
Miscellaneous Expenses [Refer Note 39]	221.82	136.06
	2,933.91	**2,771.16**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

30 EXCEPTIONAL ITEMS

The Exceptional Items for the year ended 31 March 2022 is Nil (31 March 2021 represents ₹ 2,151.17 million towards write off related to projects lying in Capital Work in Progress (CWIP) of the Company).

31 OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to profit or loss

	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurements of the defined benefit plans	(0.32)	(12.88)
	(0.32)	**(12.88)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
32 EARNING / (LOSS) PER EQUITY SHARE		
(I) Basic		
a. (Loss) / Profit after tax	(525.70)	(2,902.47)
b. (i) Number of Equity Shares at the beginning of the year	115,789,500	115,789,500
(ii) Number of Equity Shares at the end of the year	115,789,500	115,789,500
(iii) Weighted average number of Equity Shares outstanding during the year	115,789,500	115,789,500
(iv) Face Value of each Equity Share (₹)	10	10
c. Basic Earning / (Loss) per Share [a / (b(iii)] (₹)	(4.54)	(25.07)
(II) Diluted		
a. Dilutive potential Equity Shares		
b. Weighted Average number of Equity Shares for computing Dilutive Earning / (Loss) per Share	115,789,500	115,789,500
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (₹)	(4.54)	(25.07)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
33 CONTINGENT LIABILITIES		
(a) Claims against the Company not Acknowledged as Debts :		
(i) Sales / Customers and Related Matters	191.90	191.90
(ii) Purchases / Vendors and Related matters	4,665.47	4,665.47
(iii) Other Matters	367.73	367.73
(b) Other matters for which the Company is Contingently Liable :		
(i) Disputed Income Tax matters under Appeal	-	28.13
(ii) Disputed Sales Tax matters under Appeal	1.12	1.12
(iii) Disputed Entry Tax matters under Appeal	0.96	0.96
(iv) Disputed Service Tax matters under Appeal	65.59	65.59
(v) Disputed Customs matter under appeal	1.44	-

(c) In respect of the contingent liabilities mentioned in Note 33(a) and 33(b) above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. The Company does not expect any reimbursements in respect of the above contingent liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

34 BUSINESS RE-ORGANISATION/RE-STRUCTURING PLAN

Pursuant to sanction of the Scheme of Arrangement by National Company Law Tribunal (NCLT), Cuttack Bench vide its Order dated 8 July 2019 (NCLT Order) and filing of the certified copy thereof with the Registrar of Companies, Cuttack on 13 July 2019, the Scheme of Arrangement became effective on and from 13 July 2019 and the Company's Special Steel Undertaking stood transferred to and vested in VISA Special Steel Limited on and from the Appointed Date of the Scheme being 1 April 2013. The Hon'ble Supreme Court vide its ex-parte Order dated 17 January 2020 in Civil Appeal (Civil) No 56 of 2020 (State Bank of India vs VISA Steel Ltd & Anr) has directed issuance of notice and in the meantime stayed the aforesaid NCLT Order. Since the NCLT Order had been given effect to and stood implemented by the Company prior to 17 January 2020, the Company is dealing with the aforesaid Civil Appeal before the Hon'ble Supreme Court in consultation with its Advocates. If the NCLT Order had not been given effect to, the financial results of the Company would have been as under:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(I) Total Income	11,197.03	9,889.65
(II) Profit Before Tax	(872.21)	(11,972.73)
(III) Profit After Tax	(872.21)	(11,972.73)
(IV) Other Comprehensive Income	3.87	(12.57)
(V) Total Comprehensive Income	(868.33)	(11,985.30)
(VI) Earnings/(Loss) per Equity Share	(7.53)	(103.40)

Assets and Liabilities of the company would have been as under:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(I) Non Current Assets	16,699.12	17,484.63
(II) Current Assets, Loan and Advances	975.91	1,042.35
Total Assets	**17,675.03**	**18,526.98**
(III) Equity	(24,330.31)	(23,461.98)
(IV) Non Current Liabilities	181.11	217.03
(V) Current Liabilities and Provision	41,824.23	41,771.93
Equity and Total Liabilities	**17,675.03**	**18,526.98**

35 The Company has incurred net loss during the year ended 31 March 2022 which has adversely affected 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. 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 statements on the basis of going concern assumption.

36 SEGMENT INFORMATION

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". There is no reportable geographical segment of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

37 FAIR VALUE MEASUREMENTS

a) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
Financial Assets						
Investments*	11.30	-	31.63	11.30	-	31.63
Cash and Cash Equivalents	105.28	-	-	80.94	-	-
Other Bank Balances	20.80	-	-	20.70	-	-
Others Financial Assets	15.60	-	-	17.11	-	-
Total Financial Assets	**152.98**	**-**	**31.63**	**130.05**	**-**	**31.63**
Financial Liabilities						
Current Borrowings	13,473.14	-	-	13,472.36	-	-
Other financial liability	2,065.91	-	-	2,092.33	-	-
Trade Payables	281.07	-	-	473.91	-	-
Lease Liabilities	481.69	-	-	484.37	-	-
Total Financial Liabilities	**16,301.81**	**-**	**-**	**16,522.97**	**-**	**-**

*Excludes investment measured at deemed cost/cost

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Financial Assets and Liabilities measured at fair value as at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	31.63	-	31.63
Total Financial Assets	**-**	**31.63**	**-**	**31.63**

Financial Assets and Liabilities measured at fair value as at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	31.63	-	31.63
Total Financial Assets	**-**	**31.63**	**-**	**31.63**

Notes:

(i) Current financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

(ii) Non- current financial assets and liabilities measured at amortised cost have same fair value as at 31 March 2022 and 31 March 2021.

c) Valuation techniques

The following methods and assumptions were used to estimate the fair values

Investment has been fair valued based on valuation carried out by independent valuer.

Changes in level 2 and level 3 fair values are analysed at each reporting period

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

38 ASSETS HYPOTHECATED/MORTGAGED AS SECURITY (REFER NOTE 16 C)

The carrying amounts of certain categories of assets hypothecated/mortgaged as security for current and non-current borrowings pursuant to the requirements of Ind AS 2, Ind AS 16, Ind AS 38 and Ind AS 107:

Particulars	As at 31 March 2022	As at 31 March 2021
Current Assets		
Financial assets	126.69	102.46
Non-financial assets		
Inventories	121.58	193.89
Total current assets hypothecated/mortgaged as security(A)	**248.27**	**296.35**
Non-current Assets		
Property, Plant and Equipment	9,493.35	9,897.32
Capital Work-in-progress	387.50	387.50
Intangible Assets	0.49	1.09
Certain Investments	10.00	10.00
Total non-currents assets hypothecated/mortgaged as security (B)	**9,891.34**	**10,295.91**
Total assets hypothecated/mortgaged as security (A+B)	**10,139.61**	**10,592.26**

Particulars	As at 31 March 2022	As at 31 March 2021
39 MISCELLANEOUS EXPENSES INCLUDES PAYMENT TO AUDITORS		
As Auditors :		
Audit Fees	1.00	0.88
Tax Audit Fees	0.13	0.10
Other Services	0.79	2.05
Re-imbursement of expenses	0.02	0.02
	1.94	**3.05**

40 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks and how the Company is managing such risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's risk management is carried out by the CFO and his team.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and others. In addition, credit risk arises from financial guarantees.

The Company follows a credit risk management policy under which the Company transacts business only with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relate to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analysed individually, and an expected loss shall be directly deducted from debt securities.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Company manages its exposure to this credit risk by entering into transactions only with banks that have high ratings. The Company's treasury department authorizes, manages, and oversees new transactions with parties with whom the Company has no previous relationship.

Furthermore, the Company limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

Credit risk exposure

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31 March 2022 and 31 March 2021 are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	105.28	80.94
Other Bank balances	20.80	20.70
Others Financial Assets	15.60	17.11
	141.68	**118.75**

(B) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

However, in view of various unfavourable factors as set out in Note 35, the Company has been experiencing stressed liquidity condition. In order to overcome such situation, the Company has been taking measures to ensure that the Company's cash flow from business borrowing or financing is sufficient to meet the cash requirements for the Company's operations.

Maturities of financial liabilities

Contractual maturities for non-derivative and derivative financial liabilities, including estimated interest, at undiscounted values are as follows:

As at 31 March 2022	Upto 12 months	More than 1 year and upto 5 years	> 5 Years	Total
Trade payable	281.07	-	-	281.07
Lease Liabilities	27.59	141.62	312.48	481.69
Current Borrowings @	13,473.14	-	-	13,473.14
Other financial liabilities @	2,065.91	-	-	2,065.91
	15,847.71	**141.62**	**312.48**	**16,301.81**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

As at 31 March 2021	Upto 12 months	More than 1 year and upto 5 years	> 5 Years	Total
Trade payable	473.91	-	-	473.91
Lease Liabilities	23.05	157.14	304.18	484.37
Current Borrowings @	13,472.36	-	-	13,472.36
Other financial liabilities @	2,092.33	-	-	2,092.33
	16,061.65	**157.14**	**304.18**	**16,522.97**

@ The contractual maturity obligations in respect of borrowings as set out above may undergo changes upon debt resolution.

(C) Market Risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits.

Interest rate risk

The Company manages the exposure to interest rate risk by monitoring interest rate risks regularly in order to avoid exposure to interest rate risk on borrowings at variable interest rate.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

The carrying amount of interest-bearing financial instruments as of 31 March 2022 and 31 March 2021 are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate financial liabilities	12,373.06	12,372.23
Variable rate financial assets	-	-

b) Sensitivity analysis on the fair value of financial instruments with fixed interest rate

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

c) Sensitivity analysis on the cash flows of financial instruments with variable interest rate

As of 31 March 2022 and 31 March 2021, provided that other factors remain the same and the interest rate of borrowings with floating rates increases or decreases by 1 %, the changes in interest expense for the years ended 31 March 2022 and 31 March 2021 were as follows:

Impact on profit before tax

Particulars	As at 31 March 2022	As at 31 March 2021
Interest rates - increase by 100 basis points [Refer (a) below]	(123.73)	(123.72)
Interest rates - decrease by 100 basis points [Refer (a) below]	123.73	123.72

(a) The company has stopped providing interest accrued and unpaid effective 1 April 2016 in its books. Refer note 16 (B).

41 LEASES

Leases as lessee (Deemed disclosure as per Ind AS 116)

(a) The Company has entered into certain contracts having contract period of more than 12 months and following deemed disclosure of lease liabilities is made as per Ind AS 116.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(b) Movement in lease liabilities during the year ended 31 March 2022

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	484.37	536.86
Additions	21.32	-
Interest cost accrued during the year	50.90	52.24
Deletions	-	(31.70)
Payment of lease liabilities	(74.90)	(73.03)
Balance at the end	**481.69**	**484.37**

Lease liabilities included in the statement of financial position

Particulars	As at 31 March 2022	As at 31 March 2021
Current Lease liabilities	27.59	23.05
Non - Current Lease liabilities	454.10	461.32

(c) Amount recognized in Profit or Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on lease liabilities	50.90	52.24
Depreciation expense of right-of-use assets	29.14	27.87
Total	**80.04**	**80.11**

(d) Amounts recognised in the statement of cash flow

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Total cash outflow for leases	(74.90)	(73.03)

(e) Future payment of lease liabilities on an undiscounted basis

Future payment of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	76.76	73.03
One to five years	305.30	363.43
More than five years	796.32	787.01
Total undiscounted Lease Liabilities	**1,178.39**	**1,223.47**

(f) The weighted average incremental borrowing rate of 10.50 % has been applied to lease liabilities recognised in the Balance Sheet.

42 CAPITAL MANAGEMENT

Risk Management

The fundamental goal of capital management is to:

- safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

However in view of certain adverse factors and challenges being faced by the Company over past few years as explained in Note 35, the net worth of the Company is eroded.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity

Particulars	As at 31 March 2022	As at 31 March 2021
Net Debt	15,875.30	15,853.29
Total equity	(3,088.94)	(2,562.92)
Net debt to equity ratio	-	-

43 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	Year ended 31 March 2022	Year ended 31 March 2021	% Variance	Reason for variance
(a) Current ratio	Current Assets	Current Liabilities	0.26	0.26	-	
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	(-)ve	(-)ve	-	
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	Refer Note 16	Refer Note 16	-	
(d) Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(-)ve	(-)ve	-	
(e) Inventory turnover ratio	Cost of goods sold/ sales	Average inventory =(Opening + Closing balance)/2	50.01	32.98	51.65%	
(f) Trade receivables turnover ratio	Net Credit Sales= Gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables.	Average trade debtors = (Opening + Closing balance)/2	-	-	-	
(g) Trade payables turnover ratio	Net Credit Purchases = Gross credit purchases minus purchase return	Average Trade Payables= (Opening Balance+Closing Balance)/2	-	-	-	
(h) Net capital turnover ratio	Net Sales= Total sales minus sales returns	Working Capital = Current assets minus current liabilities.	(-)ve	(-)ve	-	
(i) Net profit ratio	Net profit after tax (before exceptional items)	Net Sales = Total sales minus sales returns.	(6.66%)	(12.43%)	(46.41%)	Reduction in loss.
(j) Return on capital employed	Earning before interest, taxes and exceptional item	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(-)ve	(-)ve	-	
(k) Return on investment	Current Value of Investment - Cost of Investment	Cost of Investment	Not Applicable	Not Applicable	-	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

44 RELATED PARTY DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD(IND AS) 24

(a)	Related Parties	Names of the Related Parties
(i)	**Where Control Exists**	
	Subsidiaries	Kalinganagar Special Steel Private Limited (KSSPL)
		Kalinganagar Chrome Private Limited (KCPL)
		VISA Ferro Chrome Limited (VFCL), a subsidiary of KSSPL
		VISA Special Steel Limited (VSSL), a subsidiary of VFCL
(ii)	**Others**	
	Joint Venture Company	VISA Urban Infra Limited
	Enterprise having significant influence	VISA Infrastructure Limited
	Key Managerial Personnel	Mr. Vishambhar Saran (Chairman)
		Mr. Vishal Agarwal (Vice Chairman & Managing Director)
		Mr. Manoj Kumar (Director-Kalinganagar)
		Mr. Pratip Chaudhuri (Independent Director) (Resigned w.e.f. 15 December 2021)
		Ms. Rupanjana De (Independent Director)
		Mr. Dhanesh Ranjan (Independent Director)
		Mr. Sheo Raj Rai (Independent Director)
	Relatives of Key Managerial Personnel	Mrs. Bhawna Agarwal (Wife of Mr. Vishal Agarwal)
	Member of a Group of which Enterprise having significant influence is also a member	VISA Minmetal Limited
		VISA Coke Limited
		VISA Industries Limited

(b) Details of Transactions with Related Parties

Nature of Transactions	Name of the Related Parties	31 March 2022	31 March 2021
Purchase of Goods	VISA Coke Limited	458.55	1,126.10
	VISA Special Steel Limited	312.74	392.58
	VISA Minmetal Limited	451.84	956.57
Sale of Goods	VISA Special Steel Limited	17.94	34.02
	VISA Coke Limited	7.00	7.21
	VISA Minmetal Limited	-	4,174.30
Rendering/Receiving of Services	VISA Minmetal Limited	8,707.48	1,964.44
	VISA Special Steel Limited	476.26	401.31
	VISA Coke Limited	110.89	119.60
Reimbursement / Recovery of Expenses	VISA Coke Limited	39.77	31.70
	VISA Minmetal Limited	0.71	0.64
	VISA Industries Limited	2.67	0.77
	VISA Special Steel Limited	148.72	218.01
Finance Cost	VISA Infrastructure Limited	35.40	35.40
Remuneration	Mr. Vishambhar Saran	17.42	17.42
	Mr. Vishal Agarwal	18.36	18.36
	Mr. Manoj Kumar	7.70	7.68
	Mrs. Bhawna Agarwal	5.21	4.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Nature of Transactions	Name of the Related Parties	31 March 2022	31 March 2021
Sitting Fees	Mr. Pratip Chaudhuri	0.16	0.30
	Ms. Rupanjana De	0.42	0.42
	Mr. Dhanesh Ranjan	0.12	0.18
	Mr. Sheo Raj Rai	0.36	0.30

Note: The above figures includes taxes wherever applicable.

(c) Details of Transactions with Related Parties

	31 March 2022					31 March 2021				
Nature of Transaction	Subsidiary Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Party	Subsidiary Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Party
Purchase of Goods	312.74	-	-	-	910.39	392.58	-	-	-	2,082.67
Sale of Goods	17.94	-	-	-	7.00	34.02	-	-	-	4,181.51
Rendering/Receiving of Services	476.26	-	-	-	8,818.37	401.31	-	-	-	2,084.04
Reimbursement/ Recovery of Expenses	148.72	-	-	-	43.15	218.01	-	-	-	33.11
Finance Cost	-	35.40	-	-	-	-	35.40	-	-	-
Remuneration	-	-	43.48	5.21	-	-	-	43.46	4.78	-
Sitting Fees	-	-	1.06	-	-	-	-	1.20	-	-

Note: The above figures includes taxes wherever applicable.

(d) Details of Balance with Related Parties as at 31 March 2022

Particulars	Subsidiary Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Parties
Receivable#	3,962.92	-	-	-	-
Payable	-	-	1.86	0.34	166.74
Unsecured Loan (including unpaid interest)	-	466.42	-	-	-

Details of Balance with Related Parties as at 31 March 2021

Particulars	Subsidiary Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Party
Receivable#	3777.16#	-	-	-	-
Payable	-	-	7.55	0.52	50.65
Unsecured Loan	-	442.50	-	-	-

(i) Includes ₹ 3,962.58 million (31 March 2021 : ₹ 3776.91 million) receivable from VISA Special Steel Limited pursuant to sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated 8 July 2019 (NCLT Order) effective from 13 July 2019. Consequently, the Special Steel Undertaking of the Company stood transferred to and vested in VISA Special Steel Limited on and from the Appointed Date of the Scheme being 1 April 2013. To give effect of the sanctioned scheme, the Company has allocated the various heads of income and expenditures including depreciation since 1 April 2013 resulting in accumulation of receivable from VISA Special Steel Limited.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(e) Details of compensation paid to KMP

KMP COMPENSATION	VISHAMBHAR SARAN		VISHAL AGARWAL		MANOJ KUMAR	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Short-Term Employee Benefits	15.08	15.08	16.13	16.13	7.48	7.48
Post-Employment Benefits	2.34	2.34	2.23	2.23	0.22	0.20
Long-Term Employee Benefits	-	-	-	-	-	-
Termination Benefits	-	-	-	-	-	-
Employee Share Based Payments	-	-	-	-	-	-
Total Compensation	**17.42**	**17.42**	**18.36**	**18.36**	**7.70**	**7.68**

(f) The Company is taking support of Related Parties for making payments on-behalf of the Company for supply of essential goods and critical raw material to ensure that Plant is operational, and adjusting the receivable and payable amount. The transaction falling under the ambit of Section 188 of Companies Act are at Arm's length and in Ordinary Course of business.

45 (i) Balances of certain debtors and creditors are subject to confirmation and reconciliation. In the opinion of the management, current assets and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated and also the current liabilities and advances will not have claims more than at which they are stated.

ii) Balances of banks/financial institutions are subject to confirmation. iii) Some winding up petitions filed against the Company are pending and the Company is contesting the same.

46 ADDITIONAL REGULATORY INFORMATION

(a) Title deeds of the Immovable Properties

The title deeds of immovable properties, other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, disclosed in the standalone financial statements are held in the name of the Company.

(b) Loans and Advances (Repayable on demand or without specifying any terms or period of repayment) to specified person

During the year ended 31 March 2022, the Company did not provide any loans or advances, which remain outstanding, repayable on demand or without specifying any terms or period of repayment, to specified persons (previous year : Nil).

(c) Relationship with struck off Companies

The Company does not have any transactions with Company's struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended 31 March 2022 (Previous year : Nil).

(d) Disclosure in relation to undisclosed income

The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31 March 2022 (Previous year : Nil) in the tax assessments under Income Tax Act, 1961.

(e) Details of Benami property held

The Company does not hold any property under Benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and there are no proceedings against the Company for the year ended 31 March 2022 (Previous year : Nil).

(f) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period, during the year ended 31 March 2022 (Previous year : Nil).

(g) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the year ended 31 March 2022 (Previous year : Nil).

(h) Utilization of Borrowed Fund and Share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall: (a) directly or indirectly lend or invest in other persons or entities

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

47 PREVIOUS YEAR FIGURES

Previous year figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022,

[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) (₹ In Million)	Adjusted Figures (audited figures after adjusting for qualifications) (₹ In Million)
	1	Total income	7,932.35	7,932.35
	2	Total Expenditure	8,458.05	9,747.32
	3	Net Profit/(Loss)	(525.70)	(1,814.97)
	4	Earnings Per Share	(4.54)	(15.67)
	5	Total Assets	14,907.36	14,907.36
	6	Total Liabilities	17,996.30	26,493.23
	7	Net Worth	(3,088.94)	(11,585.87)
	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**	**Surinder K. Singhal**
• **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: 30 May 2022

ANNEXURE –A

Sl. No	Details of Audit Qualification (s)	Management's Views
1	Auditors in their Standalone Audit Report has stated that: **Basis of Qualified Opinion** We draw attention to Note in the accompanying standalone financial statement with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on March 31, 2022 is ₹ 8,496.93 Million (including ₹ 1,459.69 Million for FY 2016-17, ₹ 1,552.29 Million for FY 2017-18, ₹ 1,465.46 Million for the FY 2018-19, ₹ 1,443.39 Million for the FY 2019-20, ₹ 1,286.83 Million for the FY 2020-21, ₹ 320.38 Million and ₹ 1,289.27 Million for the quarter and year ended March 31, 2022 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, 2022 would have been ₹ 382.84 Million and ₹ 1,528.99 Million instead of the reported amount of ₹ 62.46 Million and ₹ 239.72 Million respectively. Total expenses for the quarter and year ended March 31, 2022 would have been ₹ 2,693.07 Million and ₹ 9,747.32 Million instead of the reported amount of ₹ 2,372.69 Million and ₹ 8,458.05 Million. Net loss after tax for the quarter and year ended March 31, 2022 would have been ₹ 396.28 Million and ₹ 1,814.97 Million instead of the reported amount of ₹ 75.90 Million and ₹ 525.70 Million. Total Comprehensive Income for the quarter and year ended March 31, 2022 would have been ₹ (386.94) Million and ₹ (1,815.29) Million instead of the reported amount of ₹ (66.56) Million and ₹ (526.02) Million, other equity would have been ₹ (12,743.77) Million against reported ₹ (4,246.84) Million, other current financial liability would have been ₹ 10,562.84 Million instead of reported amount of ₹ 2,065.91 Million and Loss per share for the quarter and year ended March 31, 2022 would have been ₹ 3.42 and ₹ 15.67 instead of the reported amount of ₹ 0.66 and ₹ 4.54. The above reported interest has been calculated using Simple Interest rate.	The secured debt of the Company has been categorized as Non-Performing Assets (NPA) by the lenders effective 11 July 2012 and accordingly, the Company has stopped providing further interest in its books effective 1 April 2016. The amount of interest expenses not provided for is estimated at ₹ 320.38 Million for the quarter ended 31 March 2022 and the accumulated amount of interest not provided as on 31 March 2022 is estimated at ₹ 8,496.93 Million.

For Singhi & Co.
Firm Registration Number: 302049E
Chartered Accountants

Vishal Agarwal	**Surinder K. Singhal**	**Rupanjana De**	**Pradeep Kumar Singhi**
Managing Director	Chief Financial Officer	Chairperson, Audit Committee	Partner Membership Number 50773

INDEPENDENT AUDITORS' REPORT

To the Members of VISA Steel Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of VISA Steel Limited ("hereinafter referred to as the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), and its joint venture (refer Note 43 to the attached consolidated financial statements), comprising the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and except for the effect of matter referred to in paragraph 2 below give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture as at March 31, 2022, of its consolidated total comprehensive income (comprising consolidated loss and consolidated other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

2. We draw attention to Note 16B of the accompanying financial statements with regard to non-recognition of interest expense on the borrowings of the Company. The accumulated interest not provided as on March 31, 2022 is ₹ 21,509.00 million (including ₹ 3,840.96 million for FY 2016-17, ₹ 3,874.56 million for FY 2017-18, ₹ 3,667.26 million for FY 2018-19, ₹ 3,618.99 million for FY 2019-20, ₹ 3,250.51 million for FY 2020-21 and ₹ 3,256.72 million for the year ended March 31, 2022) 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, 2022 would have been ₹ 3,465.08 million instead of the reported amount of ₹ 208.36 million. Total expenses for the year ended March 31, 2022 would have been ₹ 15,326.01 million instead of the reported amount of ₹ 12,069.29 million. Net loss after tax for the year ended March 31, 2022 would have been ₹ 4,128.95 million instead of the reported amount of ₹ 872.23 million. Total Comprehensive Income for the year ended March 31, 2022 would have been ₹ (4,125.08) million instead of the reported amount of ₹ (868.36) million, other equity would have been ₹ (46,998.53) million against reported ₹ (25,489.53)million, other current financial liability would have been ₹ 26,151.49 million instead of reported amount of ₹ 4,642.49 million and Loss per share for the year ended March 31, 2022 would have been ₹ 35.66 instead of the reported amount of ₹ 7.53.

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

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

4. We draw your attention to Note 34 to the consolidated financial statements regarding the preparation of the consolidated financial statements on a going concern basis, for the reason stated therein. The Parent Company and one of its subsidiary VISA Special Steel Limited (VSSL), have accumulated losses and has also incurred losses during the year ended March 31, 2022. As on date, the Parent Company and one of its subsidiary VSSL's current liabilities are substantially higher than its current assets and their net worth have also been fully eroded.

   Further, State Bank of India (SBI), a financial creditor, had filed an application before National Company Law Tribunal (NCLT) Kolkata Bench for initiating Corporate Insolvency Resolution Process (CIRP) of the Parent Company under Insolvency and Bankruptcy Code (IBC), which was dismissed by NCLT, Cuttack Bench. SBI preferred an appeal before Hon'ble National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed the NCLT, Cuttack Bench to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Parent Company before the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on September 9, 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has also filed an application before NCLT for initiating CIRP under IBC against the Parent Company.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities including potential liabilities in the normal course of business. All the assets including non-current assets and liabilities of the Group are still being carried at their book value except in respect of Capital Work in Progress of the Parent Company which has been restated at its recoverable value and part of the non-current assets of VSSL which have been impaired and are carried at its recoverable value. The appropriateness of assumption of going concern, and evaluation of recoverable value of non-current assets of the Group is critically dependent upon the debt resolution of the Parent Company and VSSL which is under process, the Parent Company and VSSL's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future. The ability of the Group to continue as a going concern is solely dependent on the successful outcome of these conditions, which are not wholly within the control of the Group.

The Management of the Parent Company has prepared these financial statements on a going concern basis based on their assessment of the successful outcome of the debt resolution which will enhance the Parent Company and VSSL's viability till then the Parent Company and VSSL operation continue under conversion arrangement.

Our opinion is not qualified in respect to the above matter.

Emphasis of Matter

5. We draw your attention to the following matters:

Refer Note 44 to the Statement regarding accounting for transfer of Special Steel Undertaking, pursuant to the Scheme of Arrangement ("the scheme") approved by the National Company Law Tribunal vide its order dated July 8, 2019 (NCLT Order), all the assets and liabilities of the Special Steel Undertaking of VISA Steel Limited ("transferor Company" or "the Parent Company") have been transferred to and vested in VISA Special Steel Limited, (a wholly owned step down subsidiary of the Parent Company) ("VSSL" or "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 filled with the Registrar of Companies, Cuttack.

To give the impact of the sanctioned scheme, the Consolidated Financial Statements of the Parent Company for the year ended March 31, 2019 were revised and the same were approved by the Board of Directors in their meeting held on October 18, 2019 and audited by us on which we have issued our qualified audit report dated October 18, 2019 and same were approved by the members in their meeting held on December 23, 2019.

On January 17, 2020, Hon'ble Supreme Court of India vide its ex-parte order in Civil Appeal No. 56 of 2020 filed by State Bank of India, has ordered issuance of notice and in the meanwhile stayed the aforesaid NCLT Order. The NCLT Order had been given effect to and stood implemented by the Parent Company and VSSL prior to January 17, 2020. The NCLT Order sanctioning the schemes does not have any impact on the Consolidated Financial statements of the Group.

Our opinion is not qualified in respect to the above matter.

Information Other than the consolidated financial statements and Auditors' Report Thereon

6. The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

The key audit matter	How the matter was addressed in our audit
Related Party Transactions	
Refer to Note 43 to the financial statements. The Parent Company has entered into a long-term conversion arrangement with a related party wherein the key input raw materials are provided by and the finished goods are taken by the same related party. The above transaction has a possible transfer pricing risk associated with it.	We addressed the Key Audit Matter as follows :- 1) We reviewed the policy of the Parent Company with respect to related party transactions. 2) We reviewed the minutes of the meeting of the Audit Committee and Board of the Parent Company. 3) We reviewed the list of Related party identified by the Parent Company. 4) We performed the sales process / procurement process walk through and tested the controls. 5) We obtained the transfer pricing document prepared by the Parent Company and assessed the Key Assumptions. 6) We have assessed the application of transfer price documents in executing the transactions. 7) We reviewed compliance with Section 177 & 188 of the Companies Act 2013 for related party transactions. 8) We reviewed whether transactions between related parties are on normal commercial terms and conditions no more favorable than those otherwise available to other parties considering the present financial position of the Parent Company. 9) We reviewed the disclosure of related party transactions as per Ind AS 24. **Conclusion :** Our audit procedures did not lead to any reservations regarding the related party transactions and its disclosure.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Parent Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Board of Directors of the respective companies included in the Group and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

   In preparing the consolidated financial statements, the management and Board of Directors of the respective companies included in the Group and its joint venture are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

   The Board of Directors of the respective companies included in the Group and its joint venture are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

   As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Parent and subsidiaries) as well as joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in consolidated financial statements of which we are the auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

10. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

11. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

12. We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the annual financial statements of 3 subsidiaries (including step down subsidiaries) whose financial results reflect total assets of ₹ 1.79 Million and net assets of ₹ 1.12 Million as at March 31, 2022, total revenue of ₹ Nil Million, net loss of ₹ 0.05 Million, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (0.05) Million for the year ended March 31, 2022 and net cash outflow amounting to ₹ 0.00* Million for the year ended March 31, 2022, as considered in the consolidated annual financial statements. The consolidated annual financial statements also include the Group's share of total comprehensive income (comprising of profit/(loss) and other comprehensive income) of ₹ 0.03 Million and ₹ (0.01) Million for the year ended March 31, 2022 respectively as considered in the consolidated annual financial statements, in respect of a joint venture whose financial results have not been audited by us. These annual financial statements have been audited by other auditors whose reports have been furnished to us by

the Management, and our opinion on the consolidated annual financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the Subsidiary Companies incorporated in India, as noted in the "Other Matter" paragraph we give in the "Annexure B" a statement on the matters specified in paragraph 3 (xxi) of the order.

17. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, except for the matter referred to in paragraph 2 above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, except for the matter referred to in paragraph 2 above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Parent Company and its joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

    h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Parent Company, its subsidiaries and joint ventures incorporated in India to their directors is in accordance with the provisions of section 197 read with Schedule V to the Act;

    i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries and its joint venture as noted in the 'Other Matters' paragraph:

        i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2022 on the consolidated financial position of the Group and its joint venture. Refer Note 33 to the consolidated financial statements;

        ii. The Group and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiary companies, joint venture incorporated in India during the year ended March 31, 2022.

        iv. a) The management of the Parent Company has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note – 47(h) to the financial statements).

b) The management of the Parent Company has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Group from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note – 47(h) to the financial statements).

c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The Parent Company has not declared any dividend in the last year which has been paid in the current year. Further, no dividend has been declared in the current year.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWYVP3260

Place: Kolkata
Date: May 30, 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 17 (g) of the Independent Auditors' Report of Even Date to the Members of VISA Steel Limited on the Consolidated Financial Statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the VISA Steel Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Company (hereinafter referred to as "the Parent Company") and its subsidiary companies and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to the consolidated financial statements, based on criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Parent Company's internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary Company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to the consolidated financial statements.

Meaning of Internal financial controls with reference to the consolidated financial statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the consolidated financial statements includes those policies and procedures that:

   i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

   iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal financial controls with reference to the consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of internal financial controls with reference to the consolidated financial statements of the Parent Company as at March 31, 2022:

   The internal financial controls of the Group relating to application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Consolidated Financial Statements in accordance with generally accepted accounting principles were not operating effectively which resulted in non-recognition of interest expense as indicated in Note 16B to the Consolidated Financial Statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the Parent Company's annual or interim Consolidated Financial Statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, the Parent Company, its subsidiary companies and its joint venture, which are companies incorporated in India, have in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and except for the effects of the material weakness described in the Basis for Qualified Opinion paragraph

above, such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal financial controls with reference to the Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

11. Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Financial Statements in so far as it relates to three subsidiaries and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

    Our opinion is not qualified in respect of this matter.

Explanatory paragraph

12. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the Consolidated Financial Statements which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss including other comprehensive income and Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. Resultant impact of this material weakness has been appropriately considered in our audit of the Consolidated Financial Statements for the year ended March 31, 2022 and this report affect our report dated May 30, 2022, which expressed a qualified opinion on those Consolidated Financial Statements.

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWYVP3260

Place: Kolkata
Date: May 30, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 16 of the Independent Auditors' Report of even date to the members of VISA Steel Limited on the Consolidated Financial Statements for the year ended March 31, 2022

In terms of the information and explanations sought to us by and the given by the Parent Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of its subsidiary companies incorporated in India, we state that:

(xxi) The following qualifications or adverse remarks are given by the respective auditors in their report on Companies (Auditors Report) order, 2020 of the Companies included in the Consolidated financial statements.

Sr. No.	Name	CIN	Holding Company/subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse remarks
1.	VISA Steel Limited	L51109OR1996PLC004601	Holding Company	ix, xvii, xix
2.	VISA Special Steel Limited	U27100WB2012PLC234197	Subsidiary Company	ix, xix

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

(Pradeep Kumar Singhi)
Partner
Membership No. 050773
UDIN: 22050773AJWYVP3260

Place: Kolkata
Date: May 30, 2022

CONSOLIDATED BALANCE SHEET
as at 31 March 2022

All amount in ₹ Million, unless otherwise stated

Sl.No.	Particulars	Note	As at 31 March 2022	As at 31 March 2021
I	**ASSETS:**			
	Non-Current Assets			
	Property, Plant and Equipment including ROU Assets	3A	16,253.15	17,036.68
	Capital Work-In-Progress	3C	387.50	387.50
	Intangible Assets	3B	0.49	1.18
	Financial Assets			
	(i) Investments	4	31.63	31.63
	(ii) Investments accounted for using the Equity Method	37(c)	10.33	10.30
	(iii) Other Financial Assets	5	15.06	16.35
	Deferred Tax Assets (Net)	6	-	-
	Total Non Current Assets		**16,698.16**	**17,483.64**
	Current Assets			
	Inventories	7	305.55	348.16
	Financial Assets			
	(i) Cash and Cash Equivalents	8	105.61	81.33
	(ii) Other Bank Balances [other than (i) above]	9	30.58	20.70
	(iii) Others Financial Assets	10	0.61	0.82
	Current Tax Assets (Net)	11	122.65	105.00
	Other Current Assets	12	410.56	486.38
	Total Current Assets		**975.56**	**1,042.39**
	TOTAL ASSETS		**17,673.72**	**18,526.03**
II	**EQUITY AND LIABILITIES:**			
	Equity			
	Equity Share Capital	13A	1,157.90	1,157.90
	Other Equity	13B	(25,489.54)	(24,621.18)
	Non-Controlling Interest		-	-
	Total Equity		**(24,331.64)**	**(23,463.28)**
	Liabilities			
	Non-Current Liabilities			
	Financial Liabilities			
	-Lease Liabilities	14	119.98	143.30
	Provisions	15	61.12	73.73
	Total Non Current Liabilities		**181.10**	**217.03**
	Current Liabilities			
	Financial Liabilities			
	(i) Borrowings	16	34,664.66	34,700.55
	(ii) Lease Liabilities	17	23.33	21.03
	(iii) Trade Payables due to	18		
	- Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		650.04	886.59
	(iv) Other Financial Liabilities	19	4,642.49	4,753.29
	Other Current Liabilities	20	1,834.48	1,400.74
	Provisions	21	9.26	10.08
	Total Current Liabilities		**41,824.26**	**41,772.28**
	TOTAL EQUITY AND LIABILITIES		**17,673.72**	**18,526.03**

This is the Consolidated Balance Sheet referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2022

All amount in ₹ Million, unless otherwise stated

Sl.No.	Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from Operations	22	11,184.56	9,881.93
II	Other Income	23	12.47	7.72
III	**Total Income**		**11,197.03**	**9,889.65**
IV	**EXPENSES**			
	Cost of Materials Consumed	24	7,414.56	6,456.02
	Changes in Inventories of Finished Goods and Work-In-Progress	25	64.85	13.80
	Employee Benefit Expenses	26	416.50	406.85
	Finance Costs	27	208.36	169.88
	Depreciation and Amortization Expenses	28	854.78	1,284.62
	Other Expenses	29	3,110.24	2,968.06
	Total Expenses		**12,069.29**	**11,299.23**
	Profit/(Loss) before Exceptional Items, Share of Net Profit of Investment accounted using Equity Method and Tax		**(872.26)**	**(1,409.58)**
	Share of Net Profit of Joint Venture accounted using Equity Method and Tax	37(c)	0.03	0.06
V	**Profit/(Loss) before Exceptional Items and Tax**		**(872.23)**	**(1,409.52)**
VI	Exceptional Items	30	-	10,563.22
VII	**Profit/(Loss) before Tax**		**(872.23)**	**(11,972.74)**
VIII	Tax Expenses			
	1) Current Tax		-	-
	2) Deferred Tax		-	-
IX	**Profit/(Loss) for the year**		**(872.23)**	**(11,972.74)**
X	**Other Comprehensive Income**	31		
A (i)	Items that will not be reclassified to profit or loss		3.87	(12.57)
(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	**Total Comprehensive Income for the year**		**(868.36)**	**(11,985.31)**
XII	**Profit/(loss) for the year is attributable to:**			
	Owners of the Company		(872.23)	(11,972.74)
	Non-Controlling Interest		-	-
XIII	**Other comprehensive income is attributable to:**			
	Owners of the Company		3.87	(12.57)
	Non-Controlling Interest		-	-
XIV	**Total Comprehensive Income for the period attributable to:**			
	Owners of the Company		(868.36)	(11,985.31)
	Non-controlling Interest		-	-
XV	**Earnings/(Loss) per Equity Share (Face value of ₹ 10 per equity share)**			
	1) Basic (₹)	32	**(7.53)**	**(103.40)**
	2) Diluted (₹)		**(7.53)**	**(103.40)**

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

A EQUITY SHARE CAPITAL

All amount in ₹ Million, unless otherwise stated

Particulars	Note	Balance as on 1 April 2021	Change in Share Capital due to prior period errors	Restated balance at as 1 April 2021	Change in Share Capital during 2021-22	Balance as on 31 March 2022
Equity Share Capital	13 A	1,157.90	-	1,157.90	-	1,157.90
Particulars		**Balance as on 1 April 2020**	**Change in Share Capital due to prior period errors**	**Restated balance at as 1 April 2020**	**Change in Share Capital during 2020-21**	**Balance as on 31 March 2021**
Equity Share Capital		1,157.90	-	1,157.90	-	1,157.90

B OTHER EQUITY

Particulars	Note	Reserves and Surplus				Total Other Equity	NCI	Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance as at 1 April 2020	13B	**4,612.65**	**1,645.00**	**60.33**	**(18,953.85)**	**(12,635.87)**	**-**	**(12,635.87)**
Changes in accounting policy or prior period errors		-	-	-	-	-	-	-
Restated balance as at 1 April 2020		**4,612.65**	**1,645.00**	**60.33**	**(18,953.85)**	**(12,635.87)**	**-**	**(12,635.87)**
Profit/(Loss) for the year		-	-	-	(11,972.74)	(11,972.74)	-	(11,972.74)
Other Comprehensive Income		-	-	-	(12.57)	(12.57)	-	(12.57)
Balance as at 31 March 2021		**4,612.65**	**1,645.00**	**60.33**	**(30,939.16)**	**(24,621.18)**	**-**	**(24,621.18)**
Changes in accounting policy or prior period errors		-	-	-	-	-	-	-
Restated balance as at 31 March 2021		**4,612.65**	**1,645.00**	**60.33**	**(30,939.16)**	**(24,621.18)**	**-**	**(24,621.18)**
Profit/(Loss) for the year		-	-	-	(872.23)	(872.23)	-	(872.23)
Other Comprehensive Income		-	-	-	3.87	3.87	-	3.87
Balance as at 31 March 2022		**4,612.65**	**1,645.00**	**60.33**	**(31,807.52)**	**(25,489.54)**	**-**	**(25,489.54)**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2022

All amount in ₹ Million, unless otherwise stated

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Tax for the year	(872.23)	(11,972.74)
	Adjustments for:		
	Depreciation and Amortization Expenses	854.78	1,284.62
	Impairment charge/ (reverse)	-	8,412.05
	Finance Costs	51.94	54.84
	Amortization of Processing Fees	2.01	1.72
	Allowance for Doubtful Debts, Advances etc. no longer required written back	(0.88)	(3.19)
	Liabilities no longer required written back	(70.90)	(94.92)
	Loss on Assets retirement/write off	8.94	361.49
	Adjustments for exceptional items	-	2,151.17
	Interest income classified as investing cash flows	(0.77)	(2.78)
	(Gain)/Loss on disposal of property, plant and equipment	(1.68)	(0.82)
	(Profit)/Loss in Investment in Joint Venture	(0.03)	(0.06)
	Other non- cash items	40.41	13.42
	Operating Profit/(Loss) before changes in Operating Assets and Liabilities	**11.59**	**204.80**
	Working capital adjustments:		
	(Increase)/Decrease in trade receivables	-	73.64
	Increase/(Decrease) in trade payable and current liabilities	88.53	48.89
	(Increase)/Decrease in Inventories	42.60	(20.17)
	(Increase)/Decrease in other non current /current assets	72.99	(158.65)
	Cash flow from/(used in) Operation	**215.71**	**148.51**
	Income Taxes (paid)/ refund	(17.65)	(14.33)
	Net Cash flow from/(used in) Operating Activities	**198.06**	**134.18**
B.	**Cash Flow from Investing Activities**		
	Payment for acquisition of property, plant and equipment and intangible assets	(83.67)	(0.83)
	Proceeds from sale of property, plant and equipment and intangible assets	5.85	9.37
	Release/(Creation) of Security Deposit/Fixed Deposit	(9.78)	0.76
	Interest Received	0.77	3.87
	Net Cash flow from/(used in) Investing Activities	**(86.83)**	**13.17**
C.	**Cash Flow from Financing Activities**		
	Payments of long-term borrowings	-	(48.42)
	Payments of short-term borrowings	(37.90)	(0.39)
	Lease Payment (As per Ind AS 116)	(37.48)	(37.48)
	Finance Costs Paid	(11.57)	(53.27)
	Net Cash flow from/(used in) Financing Activities	**(86.95)**	**(139.56)**
	Net increase/(Decrease) in Cash and cash equivalents (A+B+C)	**24.28**	**7.79**
D.	**Cash and Cash Equivalents**		
	Net increase/(Decrease) in Cash and cash equivalents	24.28	7.79
	Cash and Cash Equivalents at the beginning of the year	81.33	73.54
	Cash and cash equivalents at the end of the year	**105.61**	**81.33**

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2022

(a) Cash and cash equivalents consist of cash in hand and balance with banks and deposits with banks.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance with Banks in		
Current Account	105.44	81.16
Cash in Hand	0.17	0.17
Cash and Cash Equivalents as at 31 March (Refer Note 8)	**105.61**	**81.33**

(b) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)'.

(c) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	Balance as on 1 April 2021	Cash Flow	Non cash changes			Balance as on 31 March 2022
			Derecognition/ Recognition	Classification / Others	Fair Value Adjustment	
Current maturity of Long term Borrowings	27,078.35	(37.90)	-	-	2.01	27,042.46
Short Term Borrowings	7,622.20	-	-	-	-	7,622.20
Deemed Lease Liabilities (As per Ind AS 116)	164.33	(37.48)	-	16.45	-	143.30
Total Liabilities from Financing Activities	**34,864.88**	**(75.38)**	**-**	**16.45**	**2.01**	**34,807.96**

This is the Consolidated Cash Flow Statement referred to in our report of even date

The accompanying Notes form an integral part of these Financial Statements

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

For and on behalf of the Board of Directors

Pradeep Kumar Singhi
Partner
Membership Number-50773

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

VISA Steel Group is consisting of VISA Steel Limited ('VSL' or 'the Parent Company') and its subsidiaries (together referred to as "Group").The Group is engaged in the manufacturing of Iron and Steel products and High Carbon Ferro Chrome with captive power plant in Odisha. Incorporated on 10 September, 1996, VSL has its registered office at Bhubaneswar and Corporate Office in Kolkata with manufacturing facilities at Kalinganagar in Odisha. VSL is a Public Limited Company with its shares listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). For details on the subsidiaries, Refer Note-37.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS, SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ESTIMATES & JUDGEMENTS

2.1 Basis of preparation of financial statements

2.1.1 Compliance with Ind AS

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 [As amended] notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to Consolidated Financial Statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

This Note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.2 Historical cost convention

The Consolidated Financial Statements have been prepared on the historical cost convention and on accrual basis except for the following:

- certain financial assets and liabilities including derivative instruments measured at fair value
- defined benefit plans - plan assets measured at fair value

2.1.3 Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Parent has control. The Parent controls an entity when the Parent is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Parent.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(i) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the parent's share of the post-acquisition profits or losses of the investee in profit and loss, and the Parent's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Parent's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Parent does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Parent and its associates and joint ventures are eliminated to the extent of the Parent's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.2.4.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.1.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months from the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.2 Summary of significant accounting policies

2.2.1 Financial instruments

2.2.1.1 A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

Financial asset

i) Classification and measurement

(a) Classification

The Group classifies its financial assets, other than investments in subsidiaries and joint venture in the following measurement categories:

1) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

2) those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, all financial assets are measured initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sales of financial assets that require delivery

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There is only one measurement category into which the Group classifies its debt instruments as follows:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts which are repayable on demand and form an integral part of an entity's cash management system. Other bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

ii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39A details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the financial asset have been transferred, or
- The Group retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. When the Group has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognised.

When the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. When the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement of the asset.

iv) Income recognition

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.2.1.2 Financial liabilities

i) Initial recognition & measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities includes trade and other payables and loans and borrowings including bank overdrafts.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedging relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as Fair Value Through Profit or Loss, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost model.

iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.2.1.3 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks which are not designated as hedges. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives is recognised as income or expense through profit or loss.

2.2.1.4 Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a enforceable legal right to offset the recognised

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.2.2 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income/expenses.

Depreciation method, estimated useful lives and residual values

Depreciation including amortization on tangible assets, where applicable is provided on pro-rata basis under Straight Line Method (SLM) over the estimated useful lives of the assets as specified in Schedule II to the Companies Act, 2013 ('the Act'), which is also supported by technical assessment carried out by the Group other than the following:

- Leasehold assets(Buildings and Plant and Machinery) which are jointly held are amortized over the period of lease i.e., 6 to10 years, being lower than the useful lives specified in Schedule II to the Act for similar assets.

- Furnace refractories are depreciated over useful life of 5-6 years based on technical assessment done by the Group

- Leasehold land is amortized over the period of lease. No depreciation is provided for freehold land.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized and depreciated on straight line method on prorata basis at the rates specified therein. Other spare parts are carried as inventory and recognized in the income statement on consumption.

The property, plant and equipment acquired under leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Residual value: The residual value are not more than 5% of the original cost of the assets. The useful lives, residual values and method of depreciation of property plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting period

2.2.3 Intangible assets

Intangible assets (Computer Software) are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Computer Software for internal use, which is primarily acquired, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of Software includes licenses fees and cost of implementation, system integration services etc. where applicable.

Amortisation

The Group amortises intangible assets (Computer Software) with a finite useful life using the straight line method over a period of 3 years .

2.2.4 Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

2.2.5 Leases

The Group as a Lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

1. Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives,
2. Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date,
3. The amount expected to be payable by the lessee under residual value guarantees,
4. The exercise price of purchase options, if the lessee is reasonably certain to exercise the options,
5. Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.
6. The Group has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.

The lease liability is not presented as a separate line in the Balance Sheet but presented as a seperate line item in the note disclosing both current and non current other financial liabilities .

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statements".

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on ‘property, plant and equipment’.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.2.6 Capital work-in-progress

The items of property, plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at historical cost or recoverable value, whichever is lower.

2.2.7 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates, input tax credits and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.2.8 Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. However, contingent liabilities are not considered. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.2.9 Revenue from Operations

The Group derives revenue primarily from conversion of raw material into finished products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group disaggregates revenue from contracts with customers by primary geographical market and major products lines.

2.2.10 Income Tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit /loss. Deferred income tax is determined using tax rates (laws) that have been enacted or substantially enacted by the end of the reporting period and are expected

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively.

2.2.11 Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as provident fund.

Defined benefit plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.2.12 Foreign currency transactions

The Group's financial statements are presented in Indian Rupee which is also the functional currency.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.2.13 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.2.14 Earnings per share

Basic Earning per Share is calculated by dividing the profit for the year attributable to equity holders (or owners) of the Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted Earning per Share is calculated by dividing the profit attributable to equity holders (or owners) of the Parent Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.2.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 35 for details on segment information presented. Chief Operating Decision Making Group consists of the Executive Chairman, Vice Chairman & Managing Director, the Director(Kalinganagar) and the CFO.

2.3 Critical accounting judgment and key sources of estimation uncertainty

a. **Impairment of non-current assets –** Ind AS 36 requires that the Group assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Group's market capitalization, significant changes in the Group's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Group's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Group uses internal business plans, quoted market prices and the Group's best estimate of commodity prices, currency rates, discount rates and other relevant information. The Group does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b. **Defined Benefit Plans –** The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

   The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

   The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

   Further details about gratuity obligations are given in Note 26.

c. **Taxes –** The Group calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

d. **Leases –** The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. The lease payments that are not paid at the commencement date are discounted using the incremental borrowing rate. The lease payment includes fixed lease payment, variable lease payment, excersie price of purchase option, penalties for termination of contrct and any amount expected to pay.

e. **Useful lives of depreciable/ amortisable assets (tangible and intangible) -** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment

2.4 New Standards / Amendments to Existing Standard issued but not yet effective and Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below-

(a) Ind AS 16 – Property Plant and equipment -

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022.

(b) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(c) Ind AS 103 – Business Combination- Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

(d) Ind AS 109 – Financial Instruments- Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

(e) Ind AS 106 – Exploration for and Evaluation of Mineral Resources- Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law. However as envisaged by the Group's management the impact of the above amendment shall not be material.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3A PROPERTY, PLANT & EQUIPMENT

All amount in ₹ Million, unless otherwise stated

Particulars	Gross Carrying Amount				Accumulated Depreciation/Amortization				Impairment Losses			Net Carrying Amount		
	As at 1 April 2021	Additions during the year	Disposals / Adjustments during the Year	As at 31 March 2022	As at 1 April 2021	For the year	Disposals / Adjustments during the Year	As at 31 March 2022	As at 1 April 2021	Recognised /Reversal	Deduction /Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned														
Land- Freehold	15.63	-	-	15.63	-	-	-	-	-	-	-	-	15.63	15.63
Land- Leasehold	319.62	-	-	319.62	27.33	4.22	-	31.55	-	-	-	-	288.07	292.29
Factory Buildings	5,829.68	-	-	5,829.68	1,135.79	116.50	-	1,252.29	1,900.72	-	-	1,900.72	2,676.67	2,793.17
Buildings	869.25	-	0.79	868.46	121.50	21.22	0.18	142.54	-	-	-	-	725.92	747.75
Road	411.32	-	-	411.32	381.20	1.80	-	383.00	-	-	-	-	28.32	30.12
Plant & Machinery	25,878.99	83.67	55.90	25,906.76	6,322.29	689.85	46.49	6,965.65	6,511.20	-	-	6,511.20	12,429.91	13,045.50
Computers	8.55	-	0.92	7.63	7.55	0.14	0.47	7.22	0.11	-	-	0.11	0.30	0.89
Office Equipment	4.83	-	2.71	2.12	3.78	0.11	1.94	1.95	0.02	-	-	0.02	0.15	1.03
Furniture & Fixtures	26.45	-	9.97	16.48	23.74	0.22	8.94	15.02	0.00	-	-	0.00	1.46	2.71
Vehicles	32.76	-	1.08	31.68	24.28	2.17	0.93	25.52	-	-	-	-	6.16	8.48
Capital Spares	10.65	-	-	10.65	3.49	0.69	-	4.18	-	-	-	-	6.47	7.16
Right of use assets														
Plant & Machinery	237.28	-	-	237.28	145.33	17.86	-	163.19	-	-	-	-	74.09	91.95
Total	**33,645.01**	**83.67**	**71.37**	**33,657.31**	**8,196.28**	**854.78**	**58.95**	**8,992.11**	**8,412.05**	**-**	**-**	**8,412.05**	**16,253.15**	**17,036.68**
Total 2020-21	**33,730.76**	**0.82**	**86.57**	**33,645.01**	**6,939.57**	**1,284.46**	**27.75**	**8,196.28**	**-**	**8,412.05**	**-**	**8,412.05**	**17,036.68**	**26,791.19**

3B INTANGIBLE ASSETS

Particulars	Gross Carrying Amount				Accumulated Depreciation/Amortization				Impairment Losses			Net Carrying Amount		
	As at 1 April 2021	Additions during the year	Disposals / Adjustments during the Year	As at 31 March 2022	As at 1 April 2021	For the year	Disposals / Adjustments during the Year	As at 31 March 2022	As at 1 April 2021	Recognised /Reversal	Deduction /Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer Software	8.57	-	6.27	2.30	7.39	-	5.58	1.81	-	-	-	-	0.49	1.18
Total 2020-21	**8.57**	**-**	**-**	**8.57**	**7.22**	**0.17**	**-**	**7.39**	**-**	**-**	**-**	**-**	**1.18**	**1.35**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

3C CAPITAL WORK-IN-PROGRESS (CONSISTING OF PLANT & MACHINERY, BUILDING ETC.)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	387.50	2,902.72
Addition	-	-
Write off	-	(2,515.22)
Closing Balance #	**387.50**	**387.50**

Represents residual value of abandoned projects. Hence no ageing and expected completion schedule is disclosed.

3D The Group has till date incurred pre-operative expenses and interest cost of ₹ 16,493.44 million and allocated to respective assets in earlier years.

3E Refer Note no. 38 for details of hypothecation/mortgage of Property, Plant and Equipments.

Particulars	As at 31 March 2022	As at 31 March 2021
4 NON-CURRENT INVESTMENTS		
Unquoted		
Investment-Others (At fair value through Profit and loss)		
VISA Coke Limited	31.63	31.63
1,054,476 (31 March 2021 : 1,054,476) Equity		
Shares of ₹ 10/- each fully paid up		
Aggregate amount of unquoted investments	**31.63**	**31.63**

Particulars	As at 31 March 2022	As at 31 March 2021
5 NON-CURRENT -OTHER FINANCIAL ASSETS		
Security Deposits with Others	15.00	16.14
Fixed Deposit with Banks with maturities more than 12 months	0.06	0.21
	15.06	**16.35**

Particulars	As at 31 March 2022	As at 31 March 2021
6 DEFERRED TAX ASSETS (NET)		
The balance comprises temporary differences attributable to:		
Deferred Tax Assets (A)		
Investments in Joint Ventures	2.05	2.02
Inventories	1.70	1.83
Allowance for Doubtful Advances	7.90	7.99
Liability as per IND AS 116	36.07	169.26
Provisions for Employee Benefits	17.72	26.44
Interest Accrued	500.74	668.46
Disallowances allowable for Tax purpose on payment	397.13	461.95
Unabsorbed Depreciation & Business Loss Carried Forward	689.87	393.59
	1,653.18	**1,731.54**
Deferred Tax Liabilities (B)		
Property Plant and Equipment and Intangible Assets	(1,653.18)	(1,650.46)
Amortization of Processing fees on Borrowings	-	(0.53)
Lease Receivable	-	(80.55)
	(1,653.18)	**(1,731.54)**
Net Deferred Tax Assets (A-B)	**-**	**-**

Note: The Group has recognized deferred tax assets in respect of brought forward losses and unabsorbed depreciation to the extent of deferred tax liability only, as there is no reasonable certainty supported by convincing evidence that sufficient taxable profits will be available against which the unused tax losses can be utilized.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Movements in Deferred Tax Assets during the year ended:

31 March 2022	Opening Balance	Recognised in Profit/(Loss)	Closing Balance
Deferred Tax Assets/(Liabilities) in relation to :			
Investments in Joint Ventures	2.02	0.03	2.05
Inventories	1.83	(0.13)	1.70
Allowance for Doubtful Advances	7.99	(0.09)	7.90
Liability as per IND AS 116	169.26	(133.19)	36.07
Provisions for Employee Benefits	26.44	(8.72)	17.72
Interest Accrued	668.46	(167.72)	500.74
Disallowances allowable for Tax purpose on payment	461.95	(64.82)	397.13
Unabsorbed Depreciation & Business Loss Carried Forward	393.59	296.28	689.87
Total Deferred Tax Assets	**1,731.54**	**(78.36)**	**1,653.18**
Property Plant and Equipment and Intangible Assets	(1,650.46)	(2.72)	(1,653.18)
Processing fees on Borrowings	(0.53)	0.53	-
Lease Receivable	(80.55)	80.55	-
Total Deferred Tax Liabilities	**(1,731.54)**	**78.36**	**(1,653.18)**
Net (Charge)/Credit	**-**	**-**	**-**

31 March 2021	Opening Balance	Recognised in Profit/(Loss)	Closing Balance
Deferred Tax Assets/(Liabilities) in relation to :			
Investments in Joint Ventures	1.70	0.32	2.02
Inventories	2.66	(0.83)	1.83
Trade Receivables	2.81	(2.81)	-
Allowance for Doubtful Advances	33.70	(25.71)	7.99
Liability as per IND AS 116	82.52	86.74	169.26
Provisions for Employee Benefits	23.43	3.01	26.44
Interest Accrued	1,433.08	(764.62)	668.46
Disallowances allowable for Tax purpose on payment	348.78	113.17	461.95
Unabsorbed Depreciation & Business Loss Carried Forward	3,835.36	(3,441.77)	393.59
Total Deferred Tax Assets	**5,764.04**	**(4,032.50)**	**1,731.54**
Property Plant and Equipment and Intangible Assets	(5,762.74)	4,112.28	(1,650.46)
Processing fees on Borrowings	(1.30)	0.77	(0.53)
Lease Receivable	-	(80.55)	(80.55)
Total Deferred Tax Liabilities	**(5,764.04)**	**4,032.50**	**(1,731.54)**
Net (Charge)/Credit	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
7 INVENTORIES		
(Refer Note 2.2.7)		
Raw Materials	146.66	144.90
Work-In-Progress	-	31.15
Finished Goods	-	0.43
Stores and Spares	129.12	108.63
By-Products	29.77	63.05
	305.55	**348.16**

See note 38 for details of hypothecation of inventories.

Particulars	As at 31 March 2022	As at 31 March 2021
8 CASH AND CASH EQUIVALENTS		
Balance with Banks		
in Current Account (Refer Note (a) below)	105.44	81.16
Cash in hand	0.17	0.17
	105.61	**81.33**

(a) The Parent Company is not able to operates its Bank Account as the case filed by Kohli Builders is subjudice. The Parent Company has been taking support of related parties for making payments on behalf of the Parent Company to keep the plant operational.

Particulars	As at 31 March 2022	As at 31 March 2021
9 OTHER BANK BALANCES [OTHER THAN CASH AND CASH EQUIVALENTS]		
Fixed Deposit with Banks with maturities less than 12 months	30.58	20.70
	30.58	**20.70**

Particulars	As at 31 March 2022	As at 31 March 2021
10 OTHER CURRENT FINANCIAL ASSETS		
Interest Accrued on Fixed Deposits	0.61	0.82
	0.61	**0.82**

Particulars	As at 31 March 2022	As at 31 March 2021
11 CURRENT TAX ASSETS (NET)		
Income Tax Assets (Tax Deducted at Source & Tax Collected at Source)	122.65	105.00
	122.65	**105.00**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
12 OTHER CURRENT ASSETS		
Advances against Supply of goods and rendering services		
Considered Good	139.33	151.23
Considered Doubtful	31.42	31.76
Less: Allowances for doubtful Advances	(31.42)	(31.76)
Contract Assets	133.27	142.82
Employee Advances	2.87	0.97
Receivable from DGFT and Customs towards Export Incentive	-	0.18
Others Taxes Receivable / Adjustable	128.36	175.76
Insurance Receivable	-	3.74
Prepaid Expenses	6.73	11.68
	410.56	**486.38**

Particulars	As at 31 March 2022	As at 31 March 2021
13 EQUITY SHARE CAPITAL AND OTHER EQUITY		
A Equity Share Capital		
Authorised		
252,000,000 Equity Shares (31 March 2021 : 252,000,000) of ₹ 10/- each	2,520.00	2,520.00
Issued, Subscribed and Paid-up		
115,789,500 Equity Shares (31 March 2021 : 115,789,500) of ₹ 10/- each fully paid up	**1,157.90**	**1,157.90**

(a) Movements in Equity Share Capital

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	115,789,500	1,157.90	115,789,500	1,157.90
Add : Shares issued during the year	-	-	-	-
Balance as at the end of the year	**115,789,500**	**1,157.90**	**115,789,500**	**1,157.90**

(b) Terms and rights attached to equity shares

The Parent Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10 per share. Each Shareholder is entitled to one vote per share held. The Parent Company declares and pays dividend in Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of Shareholders holding more than 5 % shares in the Company	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
VISA Infrastructure Limited	44,387,167	38.33	44,387,167	38.33
VISA International Limited	23,787,833	20.54	23,787,833	20.54
Vikasa India EIF I Fund	10,788,087	9.32	4,998,087	4.32
ERISKA Investment Fund Limited	9,912,036	8.56	9,912,036	8.56
LTS Investment Fund Limited	-	-	10,497,122	9.07

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(d) Disclosure of shareholding of promoters

Promoter name	As at 31 March 2022			As at 31 March 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
VISA Infrastructure Limited	44,387,167	38.33	-	44,387,167	38.33	-

Particulars	Year ended 31 March 2022	Year ended 31 March 2022
B Other Equity		
Reserves and Surplus		
Capital Reserve	4,612.65	4,612.65
Securities Premium	1,645.00	1,645.00
General Reserve	60.33	60.33
Retained Earnings	(31,807.52)	(30,939.16)
Total	**(25,489.54)**	**(24,621.18)**
Capital Reserve [Refer (a) below]		
Balance at the beginning of the year	4,612.65	4,612.65
Balance at the end of the year	**4,612.65**	**4,612.65**
Securities Premium Reserve [Refer (b) below]		
Balance at the beginning of the year	1,645.00	1,645.00
Balance at the end of the year	**1,645.00**	**1,645.00**
General Reserve [Refer (c) below]		
Balance at the beginning of the year	60.33	60.33
Balance at the end of the year	**60.33**	**60.33**
Retained Earnings		
Balance as at the beginning of the year	(30,939.16)	(18,953.85)
Add : Net (Loss) / Profit after Tax transferred from Statement of Profit and Loss	(872.23)	(11,972.74)
Add: Re-measurements Gain/ (Loss) of the net defined benefit Plan	3.87	(12.57)
Balance at the end of the year	**(31,807.52)**	**(30,939.16)**

Nature and purpose of Reserves

(a) Capital Reserve represents amount arisen pursuant to various Scheme of Amalgamation.

(b) Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the specific provisions of the Act.

(c) General Reserve represents free reserve not held for any specific purpose.

Particulars	As at 31 March 2022	As at 31 March 2021
14 NON CURRENT LEASE LIABILITIES		
Long Term maturities of lease Obligations [Refer Note 40] (Deemed disclosure as per Ind AS 116)	119.98	143.30
	119.98	**143.30**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
15 NON CURRENT PROVISIONS		
Provision for Employee Benefits	61.12	73.73
	61.12	**73.73**

Particulars	As at 31 March 2022	As at 31 March 2021
16 CURRENT - BORROWINGS		
Secured (Refer Note (a) below)		
(i) Working Capital Loans (Refer (a) , B and C below)		
From Banks	5,895.84	5,895.84
From Other Parties	1,726.36	1,726.36
(ii) Current maturities of long-term debt		
From Banks	18,539.59	18,537.58
From Other Parties	8,060.37	8,098.27
Unsecured		
Loan repayable to related party (Refer D below)	442.50	442.50
	34,664.66	**34,700.55**

(a) The debts of the Parent Company and one of its subsidiary i.e. VISA Special Steel Ltd. (VSSL) have been classified as Non-Performing Assets (NPA) and are barred by limitation from the NPA date of 11 July 2012. Accordingly the entire debt classified as current is disputed.

A. Debt Restructuring

The Group has been under financial stress due to various external factors beyond the control of the Group and its management which amongst others, include (i) failure of the State Government of Odisha to fulfil its obligation under the MOU executed with the Group for grant of Captive Mines, which has deprived the Company of assured supply of consistent quality of raw material at a reasonable cost, (ii) de-allocation of Coal Block by Ministry of Coal and Hon'ble Supreme Court judgment dated 24 September 2014, which has deprived the Group of assured supply of consistent quality of coal at a reasonable cost, (iii) non-availability of vital raw materials at viable prices due to closure of Mines following the investigations by Shah Commission which commenced sometime in 2011 and the Hon'ble Supreme Court judgment dated 16 May 2014, (iv) dumping of Steel and Stainless Steel products by overseas manufacturers resulting in sharp drop in prices, (v) high cost of logistics for transportation of raw materials as these rates are fixed by Associations at rates much above the Government notified rates, (vi) non-disbursement of sanctioned loans for Plant operations and adjustment of disbursed loan with interest / principal repayment instead of plant operations, which resulted in complete depletion of working capital of the Group. The Group has also informed lenders that it reserves its right to claim losses suffered due to the actions and inactions of lenders arising out of breaches and violations of contractual and other arrangements and such claim amount shall be claimed as a right of set-off against any dues.

Due to the aforesaid external factors, the EBITDA margins of the Parent Company and VSSL since 2011-12 have not been sufficient to service interest / principal repayment and whilst the outstanding principal term loan amount was only ₹ 10,078.72 Million as on 31 March 2011, during the period April 2011 to March 2016, the lenders have charged approx. ₹ 23,151.44 Million on account of interest/ repayment whereas EBITDA during this period was only approx. ₹ 990.78 Million. This has resulted in ballooning of liabilities of the Parent Company and VSSL towards its lenders, which are far in excess of hard cost of investments in the project for which the principal term loan had been taken from the lenders.

The Parent Company's debts had been restructured under the aegis of Corporate Debt Restructuring cell (CDR) and a Master Restructuring Agreement (MRA) dated 19 December 2012 was executed to give effect to the package approved by CDR cell with effect from 1 March 2012. Pursuant to the approval of the Parent Company and VSSL Business Re-organisation Plan by the CDR , a Common Loan Agreement (CLA) had also been executed among the Parent Company, VISA Special Steel Limited (VSSL) and lenders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

SBI had filed an application before Hon'ble National Company Law Tribunal (NCLT) for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC) against the Parent Company, which was dismissed by NCLT, Cuttack Bench. SBI preferred an appeal before Hon'ble National Company Law Appellate Tribunal (NCLAT) New Delhi which has directed NCLT to restore the application and proceed further in accordance with law. The order of NCLAT has been challenged by the Parent Company in the Hon'ble Supreme Court by way of a Civil Appeal and the same has been admitted on 9 September 2021. Oriental Bank of Commerce, since merged with Punjab National Bank, has filed an application before NCLT for initiating CIRP under IBC against the Parent Company. The Parent Company is contesting the above in consultation with its Advocates.

The lenders like Bank of Baroda, Dena Bank (since merged with Bank of Baroda), Indian Overseas Bank, Central Bank of India, UCO Bank, Vijaya Bank (since merged with Bank of Baroda), SIDBI and State Bank of Travancore (since merged with State Bank of India) have already implemented Resolution through Sale of Debt to Asset Reconstruction Companies (ARC's).

The Group does not have working capital and is presently carrying its operation with the support of the operational creditors. Due to the application filed by SBI in NCLT, there is panic among operational creditors whose financial support is necessary for plant operations, without which there is risk of plant closure, agitation and law and order problems from workers. The Parent Company and VSSL have not filed quarterly returns or statements with Banks or Financial Institutions as their debts are categorised as NPA.

B The Parent Company and VSSL stopped providing further interest in its books effective 1 April 2016 since the debt is barred by limitation from the NPA date of 11 July 2012. The amount of such interest not provided for in the financial year ended 31 March 2022 is estimated at ₹ 3,256.72 Million and the accumulated amount of such unprovided interest as on said date is estimated at ₹ 21,509.00 Million.

C **Details of Securities (Also refer note 38)**

(i) First pari-passu charge by way of hypothecation of all the Parent Company and VSSL's current assets and fixed assets (excluding land) including movable and immovable plant and machinery, machinery spares, tools and accessories, vehicles and other movable assets both present and future ("Hypothecated Assets") of the Company, save and except specific assets charged to Banks, Financial Institutions and Non Banking Financial Companies (NBFC).

(ii) First pari-passu mortgage and charge on the immovable properties of the Parent Company and VSSL situated at Kalinganagar Industrial Complex, Jajpur, (Odisha), Golagaon, Jajpur, (Odisha), Raigarh, (Chhattisgarh) and office premises of the Parent Company at Bhubaneswar, (Odisha).

(iii) Pursuant to CDR, pledge of equity shares of the Parent Company with the CDR Lenders.

(iv) Pledge of entire Equity Shares held by the Parent Company in VISA Urban Infra Limited.

(v) Lien on all Bank Accounts including the Trust and Retention Account.

(vi) The Lenders of SMCF are having a second pari-passu charge on the hypothecated assets and a second charge on the mortgaged assets of the Parent Company and VSSL.

(vii) The Corporate Guarantee of VISA International Limited(VINL) was provided pursuant to CDR. SBI had filed an application before National Company law Tribunal, Kolkata Bench (NCLT) to initiate Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 against VINL which was admitted vide Order dated 7 August 2019. NCLT, by its Order dated 11.05.2021 had allowed liquidation of VINL. The liquidation of VINL has been completed through sale as a going concern vide NCLT order dated 3 March 2022. Consequent to the same, VINL ceases to be the part of promoter group.

(viii) The personal guarantee of Mr. Vishambhar Saran, Chairman and Mr. Vishal Agarwal, Vice Chairman and Managing Director of the Parent Company are invalid due to non-fulfilment of its obligation by lenders, and the matter is sub judice.

D Unsecured loan from related party is interest bearing and is repayable on demand.

Particulars	As at 31 March 2022	As at 31 March 2021
17 CURRENT LEASE LIABILITIES		
Current Maturities of Lease Obligations [Refer Note 40] (Deemed disclosure as per Ind AS 116)	23.33	21.03
	23.33	**21.03**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
18 CURRENT - TRADE PAYABLES		
Dues to Related Party	-	50.65
Dues to Micro and Small Enterprises	-	-
Dues to other than Micro and Small Enterprises	650.04	835.94
	650.04	**886.59**

There are no outstanding creditors registered under Micro, Small and Medium Enterprises Development Act, 2006. As a result no interest provision/payments have been made by the Group to such creditors, nor any amounts are shown as due to them.

Trade Payables Ageing Schedule

Particulars	As on 31 March 2022						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17.41	240.36	53.87	-	-	233.45	545.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	9.13	-	-	-	-	95.82	104.95
Total	**26.54**	**240.36**	**53.87**	**-**	**-**	**329.27**	**650.04**

Particulars	As on 31 March 2021						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.94	205.52	261.96	73.05	1.09	233.45	780.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	9.13	0.30	-	-	-	97.15	106.58
Total	**14.07**	**205.82**	**261.96**	**73.05**	**1.09**	**330.60**	**886.59**

Particulars	As at 31 March 2022	As at 31 March 2021
19 OTHER CURRENT FINANCIAL LIABILITIES		
Interest accrued (Refer Note 16(B))	4,382.45	4,358.54
Employee related liabilities	64.74	93.71
Other liabilities	195.30	301.04
	4,642.49	**4,753.29**

Particulars	As at 31 March 2022	As at 31 March 2021
20 OTHER CURRENT LIABILITIES		
Contract Liabilities	346.69	47.41
Statutory Liabilities (includes Goods and Service Tax, Excise Duty, Tax Deducted at Source, Provident Fund, Employee State Insurance etc.)	72.40	318.62
Electricity Duty#	1,415.39	1,034.71
	1,834.48	**1,400.74**

This includes liability related to Electricity Duty levied on power generated from non-conventional sources which the Parent Company has disputed.

As per the provisions of Industrial Policy Resolution 2001, Government of Odisha (IPR 2001) dated 03.12.2001, "18.8 A power plant generating power from non-conventional sources set up after the effective date shall be deemed to be a new industrial unit and will be entitled to all the incentives under this policy. These plants will not be liable to pay electricity duty". The parent company has set up the power plant generating power from non-conventional sources after the effective date of IPR 2001 i.e. 03.12.2001 and hence is deemed to be a new industrial unit and not liable to pay electricity duty as per IPR 2001. However this liability has been provided on the basis of prudent accounting.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
21 CURRENT-PROVISIONS		
Provision for employee benefits	9.26	10.08
	9.26	**10.08**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
22 REVENUE FROM OPERATIONS		
(a) Sale of products		
Manufactured Goods	445.65	4,321.55
Total	**445.65**	**4,321.55**
(b) Sale of services		
Conversion Income	10,527.05	5,310.25
Total	**10,527.05**	**5,310.25**
(c) Other operating revenues		
Scrap Sales	42.44	40.04
Income from Shared Services	97.64	106.74
Liabilities no longer required written back	70.90	94.92
Allowances for doubtful debts, advances etc. no longer required written back	0.88	8.43
Total	**211.86**	**250.13**
	11,184.56	**9,881.93**
(d) Disaggregation of revenue - Refer Note 35 for disaggregated Revenue information		
(e) Contract balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.		
Contract assets	133.27	142.82
Contract liabilities	346.69	47.41
(f) Other Information		
a) Transaction price allocated to the remaining performanceobligations- NIL		
b) The amount of revenue recognised in the current period that was included in the opening contract liability balance. - 47.41 million		
c) The amount of revenue recognised in the current period from performance obligations satisfied (or partially satisfied) in previous periods – e.g. changes in transaction price- NIL		
d) Performance obligations- The Company satisfy the performance obligation on shipment/delivery as per the terms of contract.		
e) Significant payment terms- The contract does not have any financing component and variable consideration.		

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
23 OTHER INCOME		
(a) Interest Income		
On bank deposits	1.16	1.29
On others	1.94	1.49
(b) Other non-operating income		
Insurance claim received	7.21	3.73

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Gain on sale of property, plant and equipment	1.68	0.82
Rental and Other non operating income	0.48	0.39
	12.47	**7.72**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
24 COST OF MATERIALS CONSUMED		
Chrome Ore	4,124.35	2,177.09
Iron Ore	2,877.79	3,174.26
Coal and Coke	-	752.69
Others	412.42	351.98
	7,414.56	**6,456.02**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Opening Stock		
Finished Goods	0.43	79.44
By-products	63.04	20.26
Work-in-Progress	31.14	8.71
	94.61	**108.41**
Less : Closing Stock		
Finished Goods	-	0.43
By-products	29.76	63.04
Work-in-Progress	-	31.14
	29.76	**94.61**
(Increase)/ Decrease in Stock	**64.85**	**13.80**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
26 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	382.85	375.29
Contribution to Provident and Other Funds	28.96	26.97
Staff Welfare Expenses	4.69	4.59
	416.50	**406.85**

Additional disclosures relating to Employee Benefit Obligations/ Expenses

(I) Post Employment Defined Contribution Plan

The Group contributes to the Provident Fund (PF) maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Group and its eligible employees to the Fund, based on the current salaries. An amount of ₹ 19.80 Million (31 March 2021 : ₹ 17.62 Million) has been charged to the Statement of Profit and Loss towards Group's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Group has no other obligation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(II) Post Employment Defined Benefit Plan - Gratuity (funded)

The Group provides for Gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LICI) make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days, as per provision of Gratuity Act depending upon the tenure of service subject to a maximum limit of ₹ 2.00 Million. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2.2.11, based on which, the respective entities makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Group.

(III) Balance Sheet amounts - Post employment Defined Benefit Plan-Gratuity (Funded)

	Present value of obligation	Fair value of plan assets	Net Amount
1 April 2020	**46.65**	**0.78**	**45.87**
Current Service cost	5.92	-	5.92
Interest cost/Income	3.08	-	3.08
Past Service Cost	-	-	-
Investment Income	-	0.05	(0.05)
Total amount recognised in profit or loss	**9.00**	**0.05**	**8.95**
Remeasurements (gains)/losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	(1.90)	-	(1.90)
- Experience Variance (i.e. Actual Experience vs assumptions)	14.45	-	14.45
- Return on plan asset, Excluding amount recognised in net interest expense	-	(0.02)	0.02
Total amount recognised in Other Comprehensive Income	**12.55**	**(0.02)**	**12.57**
Contributions by employer	-	9.39	(9.39)
Benefits paid	(4.89)	(3.83)	(1.06)
1 April 2021	**63.31**	**6.37**	**56.94**
Current Service cost	5.03	-	5.03
Interest Cost/Income	4.37	-	4.37
Past Service Cost	-	-	-
Investment Income	-	0.44	(0.44)
Total amount recognised in profit or loss	**9.40**	**0.44**	**8.96**
Remeasurements (Gains)/Losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	(1.70)	-	(1.70)
- Experience Variance (i.e. Actual Experience vs assumptions)	(2.43)	-	(2.43)
- Return on plan asset, excluding amount recognised in net interest expense	-	(0.26)	0.26
Total amount recognised in Other Comprehensive Income	**(4.13)**	**(0.26)**	**(3.87)**
Contributions by employer	-	3.30	(3.30)
Benefits paid	(8.76)	(4.11)	(4.65)
31 March 2022	**59.82**	**5.74**	**54.08**

(IV) The net liability disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:		
Present Value of funded obligation at the end of the year	59.82	63.31

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
Less: Fair Value of Plan Assets at the end of the year	5.74	6.37
Net Asset /(Liability) recognised in the Balance Sheet	**54.08**	**56.94**

(V) Principal Actuarial Assumption Used:

Particulars	As at 31 March 2022	As at 31 March 2021
Discount Rates	7.20%	6.90%
Expected Salary Increase Rates	5.00%	5.00%
Attrition Rate	2% depending on age	2% depending on age
Mortality	100% of IALM (12-14)	100% of IALM (12-14)

The Group ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Group's ALM objective is to match asset with gratuity obligation. The Group actively monitor how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Group has not changed the process used to manage its risk from previous period. The Group does not use derivatives to manage its risk. The gratuity scheme is funded with LICI which has good track record of managing fund.

(VI) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Insurer Managed Funds	100%	100%

(VII) Category of Plan Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fund with LIC	5.74	6.37
Total	**5.74**	**6.37**

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flow) is 10 Years.

The expected maturity analysis of undiscounted gratuity benefit is as follows:

Particulars	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2022					
Defined Benefit Obligation	6.27	12.61	28.98	84.60	132.46
As at 31 March 2021					
Defined Benefit Obligation	5.38	13.59	27.47	95.25	141.69

(VIII) Sensitivity Analysis

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at 31 March 2022		As at 31 March 2021	
Particulars	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	65.77	54.64	69.99	57.54

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

	As at 31 March 2022		As at 31 March 2021	
Particulars	Decrease	Increase	Decrease	Increase
Salary Growth Rate (-/+1 %)	54.53	65.64	57.42	69.85
Attrition Rate(-/+50 %)	58.77	60.76	62.25	64.25
Mortality Rate(-/+10 %)	59.63	59.98	63.13	63.47

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(IX) The Group expects to contribute ₹ 41.77 Millions (Previous Year ₹ 38.78 Millions) to its gratuity fund in 2022-23

Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Group is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:

Interest Rate risk : The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the Group is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
27 FINANCE COSTS		
Interest on statutory dues	154.29	113.32
Interest on Lease (Deemed disclosure as per Ind AS 116)	16.45	18.52
Interest expenses- Others	35.40	36.12
Bank Charges and Amortisation of Processing fees etc	2.22	1.92
	208.36	**169.88**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
28 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation and Amortisation Expenses on Property, Plant and Equipment	854.78	1,284.45
Amortization expense on Intangible Assets	-	0.17
	854.78	**1,284.62**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
29 OTHER EXPENSES		
Consumption of Stores and Spare Parts	740.80	527.81
Power and Fuel	1,504.40	1,423.39
Rent	1.08	1.44
Repairs to Buildings	11.53	7.71
Repairs to Machinery	40.40	34.58
Insurance Expenses	12.89	12.65
Rates and Taxes, excluding taxes on income	21.76	15.62
Material Handling Expenses	521.46	334.39
Freight and Selling Expenses	0.61	72.95
Loss on Exchange Fluctuation (net)	-	0.22
Allowance for Doubtful Advances	-	5.24
Capital Work-In-Progress Written Off	-	364.05
Miscellaneous Expenses	255.31	168.01
	3,110.24	**2,968.06**

30 EXCEPTIONAL ITEMS

The Exceptional Items for the current year ended 31 March 2022 is Nil. The Exceptional Items of ₹ 10,563.22 for the year ended 31 March 2021 includes ₹ 2,151.17 million towards write off of incomplete projects lying in Capital Work in Progress of the Parent Company and ₹ 8,412.05 million towards impairment charge on fixed assets of Steel Making Unit of VSSL in accordance with Ind AS 36 on 'Impairment of Assets.

31 OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to profit or loss

	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurements of the defined benefit plans	3.87	(12.57)
	3.87	**(12.57)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
32 EARNING / (LOSS) PER EQUITY SHARE		
(I) Basic		
a. Profit/(Loss) after Tax and Minority Interest	(872.23)	(11,972.74)
b. (i) Number of Equity Shares at the beginning of the year	115,789,500	115,789,500
(ii) Number of Equity Shares at the end of the year	115,789,500	115,789,500
(iii) Weighted average number of Equity Shares outstanding during the year	115,789,500	115,789,500
(iv) Face Value of each Equity Share (₹)	10.00	10.00
c. Basic Earning / (Loss) per Share [a / (b(iii)] (₹)	(7.53)	(103.40)
(II) Diluted		
a. Dilutive potential Equity Shares	-	-
b. Weighted Average number of Equity Shares for computing Dilutive Earning / (Loss) per Share	115,789,500	115,789,500
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (₹)	(7.53)	(103.40)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
33	**CONTINGENT LIABILITIES**		
(a)	**Claims against the Company not Acknowledged as Debts :**		
	(i) Sales / Customers and Related Matters	191.90	191.90
	(ii) Purchases / Vendors and Related matters	4,838.42	4839.72
	(iii) Other Matters	389.73	389.73
(b)	**Other matters for which the Company is Contingently Liable :**		
	(i) Disputed Income Tax matters under Appeal	-	28.13
	(ii) Disputed Sales Tax matters under Appeal	126.35	126.35
	(iii) Disputed Entry Tax matters under Appeal	0.96	0.96
	(iv) Disputed Customs Duty matter on Imported Goods under Appeal	81.73	64.00
	(v) Disputed Excise Duty matters under Appeal	5.01	15.97
	(vi) Disputed Service Tax matters under Appeal	65.59	54.63

(c) In respect of the contingent liabilities mentioned in Note 33(a) and 33(b) above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. The Group does not expect any reimbursements in respect of above contingent liability.

34 The Group has incurred net loss during the year ended 31 March 2022 which has adversely affected 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. 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 statements on the basis of going concern assumption.

35 SEGMENT INFORMATION

The Group's chief operating decision making group [CODMG] (as set out in Note 2.2.15), examines the Group's performance both from business (product) & geographical perspective and has identified two reportable business segments viz. " Special Steel" and " Ferro Alloys".

Segment disclosures are consistent with the information provided to CODMG which primarily uses operating profit/ loss of the respective segments to assess their performance. CODMG also periodically receives information about the segments revenue and assets.

Details of products included in each of the above Segments are given below:

Special Steel Iron & Steel Products

Ferro Alloys High Carbon Ferro Chrome

Segment assets, liabilities, revenue and expenses are measured in the same way as in the standalone financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Sale between Segments are carried out at arm's length and are eliminated on consolidation.

(a) Summarised Segment information

Primary Business Segment	As at 31 March 2022			As at 31 March 2021		
	Special Steel	Ferro Alloys	Total of Reportable Segments	Special Steel	Ferro Alloys	Total of Reportable Segments
External Revenue from Operations	3,655.86	7,528.70	11,184.56	4,096.90	5,785.03	9,881.93
Inter Segment Revenue from Operations	238.71	391.33	630.04	311.13	326.16	637.29
Segment Revenues	3,894.57	7,920.03	11,814.60	4,408.03	6,111.19	10,519.22
Segment Results	(343.44)	(320.43)	(663.87)	(650.68)	(588.96)	(1,239.64)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(b) Specified amounts included in Segment Results

Primary Business Segment	As at 31 March 2022			As at 31 March 2021		
	Special Steel	Ferro Alloys	Total of Reportable Segments	Special Steel	Ferro Alloys	Total of Reportable Segments
Depreciation & Amortisation	392.16	462.62	854.78	819.46	465.16	1,284.62
Net Foreign Exchange loss / (gain)	-	-	-	0.22	-	0.22

(c) Reconciliation of Segment Results with Profit after tax

Primary Business Segment	As at 31 March 2022			As at 31 March 2021		
	Special Steel	Ferro Alloys	Total of Reportable Segments	Special Steel	Ferro Alloys	Total of Reportable Segments
Segment Results	(343.44)	(320.43)	(663.87)	(650.68)	(588.96)	(1,239.64)
Less: Exceptional Items	-	-	-	8,412.05	2,151.17	10,563.22
Less: Finance Costs			208.36			169.88
Profit/(Loss) after tax as per Financial Statements	**(343.44)**	**(320.43)**	**(872.23)**	**(9,062.73)**	**(2,740.13)**	**(11,972.74)**

(d) Other Information
Reconciliation of Reportable Segments with the Financial Statements

Primary Business Segment	As at 31 March 2022			As at 31 March 2021		
	Special Steel	Ferro Alloys	Total	Special Steel	Ferro Alloys	Total
Segment Assets	6,730.53	10,943.19	17,673.72	7,048.20	11,477.83	18,526.03
Corporate Unallocated (net)	-	-	-	-	-	-
Total Assets	**6,730.53**	**10,943.19**	**17,673.72**	**7,048.20**	**11,477.83**	**18,526.03**
Segment Liabilities	693.42	2,121.52	2,814.94	799.50	1,966.38	2,765.88
Corporate Unallocated (net)	-	-	39,190.42	-	-	39,223.43
Total liabilities #	**693.42**	**2,121.52**	**42,005.36**	**799.50**	**1,966.38**	**41,989.31**

Excluding Shareholder's Funds

The Group has its customer in India as well as outside India and thus segment information based on geographical location of its customers is as follows :

Particulars	As at 31 March 2022			As at 31 March 2021		
	India	Outside India	Total	India	Outside India	Total
Revenue External	11,184.56	-	11,184.56	9,881.93	-	9881.93
Total Segment Assets	17,673.72	-	17,673.72	18,526.03	-	18,526.03

36 FAIR VALUE MEASUREMENTS

a) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
Financial Assets						
Investments*	-	-	31.63	-	-	31.63
Trade Receivables	-	-	-	-	-	-
Cash and Cash Equivalents	105.61	-	-	81.33	-	-
Other Bank Balances	30.58	-	-	20.70	-	-
Loans	-	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Particulars	As at 31 March 2022			As at 31 March 2021		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
Others Financial Assets	15.67	-	-	17.17	-	-
Total Financial Assets	**151.86**	**-**	**31.63**	**119.20**	**-**	**31.63**
Financial Liabilities						
Current Borrowings	34,664.66	-	-	34,700.55	-	-
Other financial liability	4,642.49	-	-	4,753.29	-	-
Trade Payables	650.04	-	-	886.59	-	-
Lease Liabilities	143.31			164.33		
Total Financial Liabilities	**40,100.50**	**-**	**-**	**40,504.76**	**-**	**-**

*Excludes investment measured at deemed cost/cost

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Financial Assets and Liabilities measured at fair value as at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	31.63	-	31.63
Total Financial Assets	**-**	**31.63**	**-**	**31.63**

Financial Assets and Liabilities measured at fair value as at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	31.63	-	31.63
Total Financial Assets	**-**	**31.63**	**-**	**31.63**

Notes:

(i) Current financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

(ii) Non- current financial assets and liabilities measured at amortised cost have same fair value as at 31 March 2022 and 31 March 2021.

c) Valuation techniques

The following methods and assumptions were used to estimate the fair values

Investment has been fair valued based on valuation carried out by independent valuer as on 31 March 2022.

Changes in level 2 and level 3 fair values are analysed at each reporting period

37 INTEREST IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Name of the entity	Place of business/Country of Incorporation	Principal Activities	Ownership Interest held by the Group		Ownership Interest held by non-controlling interests	
			31 March 2022	31 March 2021	31 March 2022	31 March 2021
Kalinganagar Special Steel Private Limited	India	Steel Products	100.00 %	100.00 %	-	-
Kalinganagar Chrome Private Limited	India	Chrome Products	100.00 %	100.00 %	-	-

(b) Interest in Joint Venture

Set out below is the joint venture of the Parent Company as at 31 March 2022 which, in the opinion of the directors, are material to the Parent Company. The entity listed below has share capital consisting solely of equity shares, which are held directly by the Parent Company. The Country of incorporation or registration is also its principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Principal Activities	Place of Business	% of ownership interest	Relationship	Accounting Method	Carrying Amount as on 31 March 2022	Carrying Amount as on 31 March 2021
VISA Urban Infra Limited	Developing Star Hotel and Convention Centre project	India	26 %	Joint Venture	Equity Method	10.33	10.30

(c) Summarized financial information for joint venture

The table below provide summarized financial information for the joint venture that is material to the Group.

Summarized Balance Sheet	VISA Urban Infra Limited	
	As at 31 March 2022	As at 31 March 2021
Current Assets		
Cash and cash equivalents	0.03	0.20
Other Assets	8.94	9.64
Total Current Assets	**8.97**	**9.84**
Total Non Current Assets	**110.40**	**109.26**
Current Liabilities		
Financial Liabilities	0.88	0.86
Other Liabilities	0.03	-
Total Current Liabilities	**0.91**	**0.86**
Non Current Liabilities		
Financial Liabilities	71.23	71.23
Other Liabilities	8.24	8.14
Total Non Current Liabilities	**79.47**	**79.37**
Net Assets	**38.99**	**38.87**

Reconciliation to Carrying Amounts

Particulars	VISA Urban Infra Limited	
	31 March 2022	31 March 2021
Opening Net Assets	38.87	38.64
Profit/(Loss) for the year	0.11	0.23
Closing Net Assets	**38.98**	**38.87**
Group's share in %	26 %	26 %
Group's share in ₹	10.14	10.11

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

	VISA Urban Infra Limited	
Particulars	**31 March 2022**	**31 March 2021**
Inter company elimination	0.19	0.19
Carrying Amount	**10.33**	**10.30**

Summarized Statement of Profit and Loss

	VISA Urban Infra Limited	
Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Revenue	-	-
Interest income	0.26	0.44
Depreciation and amortization expense	-	-
Interest Expense	0.00	0.00
Other Expenses	0.08	0.10
Income tax Expense	0.07	0.11
Profit from continuing operation	0.11	0.23
Profit from Discontinuing operation	-	-
Profit for the year	**0.11**	**0.23**
Other Comprehensive income	-	-
Total Comprehensive income	**0.11**	**0.23**
Group Share	**0.03**	**0.06**

38 ASSETS HYPOTHECATED/MORTGAGED AS SECURITY (REFER NOTE 16 C)

The carrying amounts of certain categories of assets hypothecated/mortgaged as security for current and non-current borrowings pursuant to the requirements of Ind AS 2, Ind AS 16, Ind AS 38 and Ind AS 107 are as follows:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Current Assets		
Financial assets	136.79	102.85
Non-financial assets		
Inventories	305.55	348.16
Total current assets hypothecated/mortgaged as security(A)	**442.34**	**451.01**
Non-current Assets		
Property, Plant and Equipment	16,179.06	16,944.73
Capital Work-in-progress	387.50	387.50
Intangible Assets	0.49	1.18
Investment	10.33	10.30
Total non-currents assets hypothecated/mortgaged as security (B)	**16,577.38**	**17,343.71**
Total assets hypothecated/mortgaged as security (A+B)	**17,019.72**	**17,794.72**

39 FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks and how the Group is managing such risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's risk management is carried out by CFO and his team.

(A) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and others. In addition, credit risk arises from financial guarantees.

The Group implements a credit risk management policy under which the Group only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of parties, financial condition, historical experience, and other factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Group follows an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Group manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Group's treasury department authorizes, manages, and oversees new transactions with parties with whom the Group has no previous relationship.

Further more, the Group limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

(i) Credit risk exposure

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. The maximum exposure to credit risk as of 31 March 2022 and 31 March 2021 are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	105.61	81.33
Other Bank balances	30.58	20.70
Others Financial Assets	15.67	17.17
	151.86	**119.20**

(ii) Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

Trade Receivables (measured under life time excepted credit loss model)	As at 31 March 2022	As at 31 March 2021
Loss Allowance at the beginning of the year	-	8.04
Less: Write Off	-	0.19
Less: Loss Allowance reversed during the year	-	7.85
Loss Allowance at the end of the year	**-**	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(B) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

However, in views of various unfavourable factors as set out in Note 34, the Group has been experiencing stressed liquidity condition. In order to overcome such situation, the Group has been taking measures to ensure that the Group's cash flow from business borrowing or financing is sufficient to meet the cash requirements for the Group's operations.

Maturities of financial liabilities

Contractual maturities for non-derivative and derivative financial liabilities, including estimated interest, at undiscounted values are as follows:

As at 31 March 2022	Upto 12 months	More than 1 year and upto 5 years	> 5 Years	Total
Trade payable	650.04	-	-	650.04
Lease Liabilities	23.33	119.98	-	143.31
Current Borrowings @	34,664.66	-	-	34,664.66
Other financial liabilities	4,642.49	-	-	4,642.49
	39,980.52	**119.98**	**-**	**40,100.50**

As at 31 March 2021	Upto 12 months	More than 1 year and upto 5 years	> 5 Years	Total
Trade payable	886.59	-	-	886.59
Lease Liabilities	21.03	143.30	-	164.33
Current Borrowings @	34,700.55	-	-	34,700.55
Other financial liabilities @	4,753.29	-	-	4,753.29
	40,361.46	**143.30**	**-**	**40,504.76**

@ The contractual maturity obligations in respect of borrowings as set out above may undergo changes upon debt resolution.

(C) Market Risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits.

(i) Interest rate risk

The Group manages the exposure to interest rate risk by monitoring interest rate risks regularly in order to avoid exposure to interest rate risk on borrowings at variable interest rate.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

The carrying amount of interest-bearing financial instruments as of 31 March 2022 and 31 March 2021 are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate financial liabilities	31,202.59	31,238.43
Variable rate financial assets	-	-

b) Sensitivity analysis on the fair value of financial instruments with fixed interest rate

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

c) Sensitivity analysis on the cash flows of financial instruments with variable interest rate

As of 31 March 2022 and 31 March 2021, provided that other factors remain the same and the interest rate of borrowings with floating rates increases or decreases by 1 %, the changes in interest expense for the years ended 31 March 2022 and 31 March 2021 were as follows:

Particulars	Impact on profit before tax	
	As at 31 March 2022	As at 31 March 2021
Interest rates - increase by 100 basis points [Refer (a) below]	312.03	312.38
Interest rates - decrease by 100 basis points [Refer (a) below]	(312.03)	(312.38)

(a) The Group has stopped providing interest accrued and unpaid effective 1 April 2016 in its books. Refer note 16 (B).

ii) Foreign currency risk

Foreign exchange risk arises from commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

a) The Group has exposure to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The exposure to currency risk as of 31 March 2022 and 31 March 2021 are as follows.

Particulars	As at 31 March 2022	As at 31 March 2021
	EUR	EUR
Financial Liabilities		
Trade payables (EUR)	-	0.07
Net exposure to foreign currency risk (liabilities)	**-**	**0.07**

Particulars	As at 31 March 2022	As at 31 March 2021
EUR	-	(0.07)

b) As of 31 March 2022 and 31 March 2021, provided that functional currency against foreign currencies other than functional currency hypothetically strengthens or weakens by 10 %, the changes in gain or loss for the years ended 31 March 2022 and 31 March 2021 were as follows:

EUR	Impact on profit before tax	
	As at 31 March 2022	As at 31 March 2021
10 % increase	-	(0.62)
10 % decrease	-	0.62

40 LEASES

Leases as lessee (Deemed disclosure as per Ind AS 116)

(a) The Group has entered into certain contracts having contract period of more than 12 months and following deemed disclosure of lease liabilities is made as per Ind AS 116.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(b) Movement in lease liabilities during the year ended 31 March 2022

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	164.33	236.16
Additions	-	-
Interest cost accrued during the year	16.46	18.51
Deletions	-	(52.86)
Payment of lease liabilities	(37.48)	(37.48)
Balance at the end	**143.31**	**164.33**

Lease liabilities included in the statement of financial position

Particulars	As at 31 March 2022	As at 31 March 2021
Current Lease liabilities	23.33	21.03
Non - Current Lease liabilities	119.98	143.30

(c) Amount recognized in Profit or Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on lease liabilities	16.46	18.51
Depreciation expense of right-of-use assets	17.86	17.86
Expense relating to short term leases (included in other expenses)	-	-
Total	**34.32**	**36.37**

(d) Amounts recognised in the statement of cash flow

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Total cash outflow for leases	(-37.48)	(-37.48)

(e) Future payment of lease liabilities on an undiscounted basis

Future payment of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	37.48	37.48
One to five years	148.19	185.66
Total undiscounted Lease Liabilities	**185.67**	**223.14**

(f) The weighted average incremental borrowing rate of 10.50% has been applied to lease liabilities recognised in the Balance Sheet.

41 CAPITAL MANAGEMENT

Risk Management

The fundamental goal of capital management are to:

- safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Group's capital management, capital includes issued capital and all other equity reserves. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

However in view of certain adverse factors and challenges being faced by the Group over past few years as explained in Note 34, the net worth of the Group has been eroded.

The Group manages its capital on the basis of net debt to equity ratio which is net debt (non current borrowings) divided by total equity.

Particulars	As at 31 March 2022	As at 31 March 2021
Net Debt	39,190.42	39,223.43
Total equity	(24,331.64)	(23,463.28)
Net debt to equity ratio	-	-

42 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	Year ended 31 March 2022	Year ended 31 March 2021	% Variance	Reason for variance
(a) Current ratio	Current Assets	Current Liabilities	0.02	0.02	-	
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	(-)ve	(-)ve	-	
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	Refer Note 16	Refer Note 16	-	
(d) Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(-)ve	(-)ve	-	
(e) Inventory turnover ratio	Sales	Average inventory =(Opening + Closing balance /2)	34.00	28.92	17.54%	
(f) Trade receivables turnover ratio	Net Credit Sales= Gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables.	Average trade debtors = (Opening + Closing balance / 2)	-	-	-	
(g) Trade payables turnover ratio	Net Credit Purchases = Gross credit purchases minus purchase return	Average Trade Payables= (Opening Balance+Closing Balance)/2	-	-	-	
(h) Net capital turnover ratio	Net Sales= Total sales minus sales returns.	Working Capital = Current assets minus current liabilities.	(-)ve	(-)ve	-	
(i) Net profit ratio	Net profit after tax (before exceptional items)	Net Sales = Total sales minus sales returns.	(7.85%)	(14.41%)	45.55%	Reduction in loss.
(j) Return on capital employed	Earning before interest, taxes and exceptional item	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(-)ve	(-)ve	-	
(k) Return on investment	Current Value of Investment - Cost of Investment	Cost of Investment	Not Applicable	Not Applicable	-	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

43 RELATED PARTY DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD(IND AS) 24

(a)	Related Parties	Names of the Related Parties
	Others	
	Joint Venture Company	VISA Urban Infra Limited
	Enterprise having significant influence	VISA Infrastructure Limited
	Key Managerial Personnel	Mr. Vishambhar Saran (Chairman)
		Mr. Vishal Agarwal (Vice Chairman & Managing Director)
		Mr. Manoj Kumar (Director-Kalinganagar)
		Mr. Pratip Chaudhuri (Independent Director) (Resigned w.e.f. 15 December 2021)
		Ms. Rupanjana De (Independent Director)
		Mr. Dhanesh Ranjan (Independent Director)
		Mr. Sheo Raj Rai (Independent Director)
	Relatives of Key Managerial Personnel	Mrs. Bhawna Agarwal (Wife of Mr. Vishal Agarwal)
	Member of a Group of which Enterprise having significant influence is also a member	VISA Minmetal Limited
		VISA Coke Limited
		VISA Industries Limited

(b) Details of Transactions with Related Parties

Nature of Transactions	Name of the Related Parties	31 March 2022	31 March 2021
Purchase of Goods	VISA Coke Limited	458.55	1,126.10
	VISA Minmetal Limited	451.84	959.89
Sale of Goods	VISA Minmetal Limited	-	4,174.30
	VISA Coke Limited	7.00	7.21
Rendering/Receiving of Services	VISA Minmetal Limited	8,707.93	1,965.04
	VISA Coke Limited	110.89	119.60
	VISA Industries Limited	3,709.50	4,372.89
Reimbursement/Recovery of Expenses	VISA Coke Limited	39.85	31.70
	VISA Minmetal Limited	1.27	1.23
	VISA Industries Limited	4.43	0.77
Finance Cost	VISA Infrastructure Limited	35.40	35.40
Remuneration	Mr. Vishambhar Saran	17.42	17.42
	Mr. Vishal Agarwal	18.36	18.36
	Mr. Manoj Kumar	7.70	7.68
	Mrs. Bhawna Agarwal	5.21	4.78
Sitting Fees	Mr. Pratip Chaudhuri	0.16	0.30
	Mr. Dhanesh Ranjan	0.12	0.18
	Ms. Rupanjana De	0.42	0.42
	Mr. Sheo Raj Rai	0.40	0.30
Share of Profit/Loss of Joint Venture	VISA Urban Infra Limited	0.03	0.06

Note: The above figures includes taxes wherever applicable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(c) Details of Transactions with Related Parties

	31 March 2022					31 March 2021				
Nature of Transactions	Joint Venture Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Party	Joint Venture Company	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Party
Purchase of Goods	-	-	-	-	910.39	-	-	-	-	2,085.99
Sale of Goods	-	-	-	-	7.00	-	-	-	-	4,181.51
Rendering/Receiving of Services	-	-	-	-	12,528.32	-	-	-	-	6,457.53
Reimbursement/ Recovery of Expenses	-	-	-	-	45.55	-	-	-	-	33.70
Finance Cost	-	35.40	-	-	-	-	35.40	-	-	-
Remuneration	-	-	43.48	5.21	-	-	-	43.46	4.78	-
Sitting Fees	-	-	1.10	-	-	-	-	1.20	-	-
Share of Profit/Loss of Joint Venture	0.03	-	-	-	-	0.06	-	-	-	-

Note: The above figures includes taxes wherever applicable.

(d) Details of Balances with Related Parties as at 31 March 2022

Balances	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Parties
Payable	-	1.86	0.34	344.14
Borrowings	466.42	-	-	-

Details of Balances with Related Parties as at 31 March 2021

Balances	Enterprise having significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Other Related Parties
Payable	-	7.55	0.52	313.66
Borrowings	442.50	-	-	-

(e) Details of compensation paid to KMP

KMP COMPENSATION	VISHAMBHAR SARAN		VISHAL AGARWAL		MANOJ KUMAR	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Short-Term Employee Benefits	15.08	15.08	16.13	16.13	7.48	7.48
Post-Employment Benefits	2.34	2.34	2.23	2.23	0.22	0.20
Long-Term Employee Benefits	-	-	-	-	-	-
Termination Benefits	-	-	-	-	-	-
Employee Share Based Payments	-	-	-	-	-	-
Total Compensation	**17.42**	**17.42**	**18.36**	**18.36**	**7.70**	**7.68**

(f) The Parent Company is taking support of Related Parties for making payments on-behalf of the Parent Company for supply of essential goods and critical raw material to ensure that Plant is operational, and adjusting the receivable and payable amount, The transactions falling under the ambit of Section 188 of Companies Act are at Arm's length and in Ordinary Course of business.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

44 Pursuant to sanction of the Scheme of Arrangement by National Company Law Tribunal, Cuttack bench vide Order dated 8 July 2019 (NCLT Order) and filing of the certified copy thereof with Registrar of Companies, Cuttack on 13 July 2019, the Scheme of Arrangement became effective on and from 13 July 2019 and the Parent Company's Special Steel Undertaking stood transferred to and vested in VISA Special Steel Limited on and from the Appointed Date of the Scheme being 1 April 2013. The Hon'ble Supreme Court vide its ex-parte order dated 17 January 2020 in Civil Appeal (Civil) No 56 of 2020 (State Bank of India vs VISA Steel Ltd & Anr) has directed issuance of notice and in the meantime stayed the aforesaid NCLT Order. Since the NCLT Order had been given effect to and stood implemented by the Parent Company prior to 17 January 2020, the Parent Company is dealing with the aforesaid Civil Appeal before the Hon'ble Supreme Court in consultation with its Advocates. The NCLT Order does not have any impact in the Consolidated Financial Statements of the Group.

45 (A) ADDITIONAL INFORMATION PURSUANT TO THE REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSIDERED FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS .

SL No	Name of the Entity [Refer Note (a) below]	2021-22							
		Net Assets i.e. Total Asset-Total Liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Other Comprehensive Income
	Parent								
1	VISA Steel Limited	(6,714.78)	27.60%	(525.70)	60.27%	(0.32)	(-8.30%)	(526.02)	60.58%
	Subsidiaries								
2	Kalinganagar Special Steel Private Limited	0.07	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
3	VISA Ferro Chrome Limited*	0.00	0.00%	(0.03)	0.00%	-	0.00%	(0.03)	0.00%
4	VISA Special Steel Limited*	(17,617.46)	72.40%	(346.51)	39.73%	4.19	108.30%	(342.32)	39.42%
5	Kalinganagar Chrome Private Limited	0.20	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
	Joint Venture								
6	VISA Urban Infra Limited	0.33	0.00%	0.03	0.00%	-	0.00%	0.03	0.00%
		(24,331.64)	**100.00%**	**(872.23)**	**100.00%**	**3.87**	**100.00%**	**(868.36)**	**100.00%**

(B) ADDITIONAL INFORMATION PURSUANT TO THE REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSIDERED FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS.

SL No	Name of the Entity [Refer Note (a) below]	2020-21							
		Net Assets i.e. Total Asset-Total Liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Other Comprehensive Income
	Parent								
1	VISA Steel Limited	(6,021.35)	25.66%	(2,902.47)	24.24%	(12.88)	102.44%	(2,915.35)	24.32%
	Subsidiaries								
2	Kalinganagar Special Steel Private Limited	0.05	0.00%	(0.02)	0.00%	-	0.00%	(0.02)	0.00%
3	VISA Ferro Chrome Limited*	(0.01)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)	0.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

SL No	Name of the Entity [Refer Note (a) below]	2020-21							
		Net Assets i.e. Total Asset-Total Liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Other Comprehensive Income
4	VISA Special Steel Limited*	(17,442.47)	74.34%	(9,070.26)	75.76%	0.31	(-2.44%)	(9,069.95)	75.68%
5	Kalinganagar Chrome Private Limited	0.20	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
	Joint Venture								
6	VISA Urban Infra Limited	0.30	0.00%	0.06	0.00%	-	0.00%	0.06	0.00%
		(23,463.28)	**100.00%**	**(11,972.74)**	**100.00%**	**(12.57)**	**100.00%**	**(11,985.31)**	**100.00%**

(a) All entities specified above have been incorporated in India.

(b) The Net Asset position / Net Profit of the entity considered above is after considering elimination if any, for determing the Profit for the Year in the Consolidated Statement of Profit and Loss

(c) * Represents Step down Subsidiary

46 i) Balances of certain debtors and creditors are subject to confirmation and reconciliation. In the opinion of the management, current assets and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated and also the current liabilities and advances will not have claims more than at which they are stated.

ii) Balances of banks/financial institutions are subject to confirmation.

iii) Some winding up petitions filed against the Parent Company are pending and the Parent Company and VSSL are contesting the same.

47 ADDITIONAL REGULATORY INFORMATION

(a) Title deeds of the Immovable Properties

The title deeds of immovable properties, other than immovable properties where any of the Group company is the lessee and the lease agreements are duly executed in favour of the lessee, disclosed in the financial statements are held in the name of the respective companies.

(b) Loans and Advances (Repayable on demand or without specifying any terms or period of repayment) to specified person.

During the year ended 31 March 2022, the Group did not provide any loans or advances, which remain outstanding, repayable on demand or without specifying any terms or period of repayment, to specified persons (previous year : Nil)

(c) Relationship with struck off Companies

The Group does not have transaction with Company's struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended 31 March 2022 (Previous year : Nil)

(d) Disclosure in relation to undisclosed income

The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31 March 2022 (Previous year : Nil) in the tax assessments under Income Tax Act, 1961.

(e) Details of Benami property held

The Group does not hold any property under Benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and there are no proceedings against any of the Group companies for the year ended 31 March 2022 (Previous year : Nil).

(f) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Group does not have any charges or satisfaction, which are yet to be registered with ROC beyond the statutory period, during the year ended 31 March 2022 (Previous year : Nil).

(g) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the year ended 31 March 2022 (Previous year : Nil).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

(h) Utilization of Borrowed Fund and Share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

48 PREVIOUS YEAR FIGURES

Previous year figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

Pradeep Kumar Singhi
Partner
Membership Number-50773

Place: Kolkata
Date: 30 May 2022

For and on behalf of the Board of Directors

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 READ WITH RULES 5 OF THE COMPANIES (ACCOUNTS) RULES 2014)

Statement containing salient features of the financial statement of subsidiaries/joint venture for the year ended on 31 March 2022

PART -A - Subsidiary Company

All amount in ₹ Million, unless otherwise stated

Name of the Subsidiary	Kalinganagar Special Steel Private Limited	Kalinganagar Chrome Private Limited
Financial Year Ending on	31 March 2022	31 March 2022
Reporting Currency	INR	INR
Share Capital	0.70	0.60
Reserves & Surplus	(21,242.90)	(0.13)
Total Assets	7,068.42	0.50
Total Liabilities	28,310.64	0.03
Details of Investment (Except in case of Subsidiaries)	-	-
Turnover (including Other Income)	3,929.16	-
Profit/(Loss) Before Taxation	(346.55)	(0.01)
Provision for Taxation	-	-
Profit/(Loss) after Taxation	(346.55)	(0.01)
Proposed Dividend	-	-
Percentage of Shareholding	100%	100%

Notes:

Name of the Subsidiary yet to commence operations : Kalinganagar Special Steel Private Limited and Kalinganagar Chrome Private Limited.

PART -B - Joint Venture

Name of the Joint Venture	VISA Urban Infra Limited
Latest Audited Balance Sheet Date	31 March 2022
Number of Shares held as on 31 March 2022	1,000,000
Amount of Investment in Joint Venture as on 31 March 2022	10.00
Extent of Shareholding % as on 31 March 2022	26%
Description of how there is a significant influence	By virtue of Share Holding
Reason why Joint venture is not consolidated	Not Applicable
Net worth attributable to Shareholding	10.00
Profit/(Loss) for the year (Consolidated)	0.11
a) considered in Consolidation	0.03
b) Not Considered in Consolidation	0.08

For and on behalf of the Board of Directors

Vishal Agarwal
Vice Chairman & Managing Director
DIN 00121539

Manoj Kumar
Director (Kalinganagar)
DIN 06823891

Place: Kolkata
Date: 30 May 2022

Amisha Chaturvedi
Company Secretary

Surinder K. Singhal
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

All amount in ₹ Million, unless otherwise stated

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2022, [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) (₹ In Million)	Adjusted Figures (audited figures after adjusting for qualifications) (₹ In Million)
	1	Total income	11,197.03	11,197.03
	2	Total Expenditure	12,069.29	15,326.01
	3	Net Profit/(Loss)	(872.23)	(4,128.95)
	4	Earnings Per Share	(7.53)	(35.66)
	5	Total Assets	17,673.72	17,673.72
	6	Total Liabilities	42,005.36	63,514.36
	7	Net Worth	(24,331.64)	(45,840.64)
	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**	**Surinder K. Singhal**
• **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: 30 May 2022

ANNEXURE –A

Sl. No	Details of Audit Qualification (s)	Management's Views
1	Auditors in their Consolidated Audit Report has stated that: **Basis of Qualified Opinion** We draw attention to Note in the accompanying consolidated financial 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, 2022 is ₹ 21,509.00 Millions (including ₹ 3,840.96 Million for FY 2016-17, ₹ 3,874.55 Million for FY 2017-18, ₹ 3,667.27 Million for the FY 2018-19, ₹ 3,618.99 Million for the FY 2019-20, ₹ 3,250.51 Million for the FY 2020-21, and ₹ 809.65 Million and ₹ 3,256.72 Million for the quarter and year ended March 31, 2022 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, 2022 would have been ₹ 863.51 Million and ₹ 3,465.08 Million instead of the reported amount of ₹ 53.86 Million and ₹ 208.36 Million respectively. Total expenses for the quarter and year ended March 31, 2022 would have been ₹ 4,008.01 Million and ₹ 15,326.01 Million instead of the reported amount of ₹ 3,198.36 Million and ₹ 12,069.29 Million. Net loss after tax for the quarter and year ended March 31, 2022 would have been ₹ 903.18 Million and ₹ 4,128.95 Million instead of the reported amount of ₹ 93.53 Million and ₹ 872.23 Million. Total Comprehensive Income for the quarter and year ended March 31, 2022 would have been ₹ (889.88) Million and ₹ (4,125.08) Million instead of the reported amount of ₹ (80.23) Million and ₹ (868.36) Million, other equity would have been ₹ (46,998.54) Millions against reported ₹ (25,489.54) Million, other current financial liability would have been ₹ 26,151.49 Million instead of reported amount of ₹ 4,642.49 Million and Loss per share for the quarter and year ended March 31, 2022 would have been ₹ 7.80 and ₹ 35.66 instead of the reported amount of ₹ 0.81 and ₹ 7.53. The above reported interest has been calculated using Simple Interest rate.	The secured debt of the Parent Company and a step down subsidiary i.e. VISA Special Steel Limited (VSSL) have been categorized as Non-Performing Assets (NPA) by the lenders effective 11 July 2012 and accordingly, the Parent Company and VSSL has stopped providing further interest in its books effective 1 April 2016. The amount of interest expenses not provided for is estimated at ₹ 809.65 Million for the quarter ended 31 March 2022 and the accumulated interest not provided as on 31 March 2022 is estimated at ₹ 21,509.00 Million.

For Singhi & Co.
Firm Registration Number: 302049E
Chartered Accountants

Vishal Agarwal	**Surinder K. Singhal**	**Rupanjana De**	**Pradeep Kumar Singhi**
Managing Director	Chief Financial Officer	Chairperson, Audit Committee	Partner Membership Number 50773

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. Vishambhar Saran, Chairman
Mr. Vishal Agarwal, Vice Chairman & Managing Director
Mr. Dhanesh Ranjan, Independent Director
Mr. Sheo Raj Rai, Independent Director
Ms. Rupanjana De, Independent Director
Mr. Manoj Kumar, Wholetime Director designated as Director (Kalinganagar)

CHIEF FINANCIAL OFFICER
Mr. Surinder Kumar Singhal

COMPANY SECRETARY
CS Amisha Chaturvedi

STATUTORY AUDITORS
Singhi & Co., Chartered Accountants

INTERNAL AUDITORS
L. B. Jha & Co., Chartered Accountants

SECRETARIAL AUDITORS
MKB & Associates, Company Secretaries

COST AUDITORS
DGM & Associates, Cost Accountants

BANKERS & FINANCIAL INSTITUTIONS
Asset Care & Reconstruction Enterprise Ltd.
Bank of India
Canara Bank
Edelweiss Asset Reconstruction Company Limited
Export Import Bank of India
HUDCO
Punjab National Bank
Punjab & Sind Bank
State Bank of India
Union Bank of India

REGISTRARS AND TRANSFER AGENTS
Kfin Technologies Limited
(Formerly known as Kfin Technologies Private Limited)
Selenium, Tower-B, Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032

REGISTERED OFFICE
Bhubaneswar
11 Ekamra Kanan, Nayapalli,
Bhubaneswar - 751 015.
Tel: +91 (674) 2552 479,
Fax: +91 (674) 2554 661

CORPORATE OFFICE
Kolkata
VISA House,
8/10 Alipore Road,
Kolkata - 700 027, (WB)
Tel: +91 (33) 3011 9000
Fax: +91 (33) 3011 9002

Plant Offices
Kalinganagar Plant Site
Kalinganagar Industrial Complex,
P.O. Jakhapura,
Jajpur - 755 026,
Odisha
Tel: +91 (6726) 242 441
Fax: +91 (6726) 242 442

Corporate Identification Number
L51109OR1996PLC004601

VISA STEEL

www.visasteel.com

content and design at AICL (hello@aicl.in)