

VISA STEEL

VISA STEEL LIMITED

Registered Office: 11, Ekama Kanan, Nayapalli, Bhubaneswar 751 015, Odisha
 Corporate Office: VISA House, 9/10 Alipore Road, Kolkata 700 027
 website: www.visasteel.com
 Email ID for registering Investor Grievances: investors@visasteel.com

Statement of Standalone Unaudited Results for the Quarter and Six Months Ended 30 September 2012

(Rs. in Lakhs)

Part I	Particulars	3 Months Ended			6 Months Ended		Financial Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		2012	2012	2011	2012	2011	2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income From Operations	21,781.40	32,124.69	24,438.86	53,888.09	60,962.47	134,980.94
	(a) Net Sales/Income from Operations (Net of excise duty)	519.50	233.00	172.28	752.59	285.06	1,629.58
	(b) Other Operating Income	22,260.90	32,357.70	24,610.92	54,638.68	61,248.53	136,690.52
	Total Income from Operations (net)						
2	Expenses	18,597.49	22,288.74	28,248.09	40,856.23	58,160.08	103,816.05
	(a) Cost of materials consumed	710.47	990.06	731.08	1,706.52	936.50	24,413.25
	(b) Purchases of stock-in-trade	(279.55)	4,590.99	(9,112.64)	4,311.43	(10,959.25)	(14,104.49)
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,023.02	998.90	1,051.15	1,993.72	2,065.26	3,803.03
	(d) Employee benefits expense	1,731.15	1,287.09	1,242.57	3,018.25	2,465.10	5,115.24
	(e) Depreciation and amortisation expense	1,974.10	2,126.85	1,697.94	4,101.03	5,735.75	10,653.46
	(f) Other expenses	23,733.57	32,253.62	23,858.17	55,987.18	66,399.43	133,688.54
	Total expenses						
3	Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	(1,452.67)	104.16	752.75	(1,348.80)	4,849.10	2,891.98
4	Other income	883.64	398.56	614.24	1,280.20	1,280.61	2,589.09
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(609.03)	500.72	1,366.99	(88.30)	6,109.71	5,491.07
6	Finance costs	5,953.20	5,674.90	4,265.29	11,628.10	7,550.36	18,996.83
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(6,642.23)	(5,174.18)	(2,898.30)	(11,716.40)	(1,440.65)	(13,475.76)
8	Exceptional items	2,868.95	(5,891.36)	(3,058.15)	(2,822.41)	(3,858.15)	(6,172.89)
9	Profit / (Loss) from ordinary activities before tax (7+8)	(3,673.28)	(10,865.54)	(6,756.45)	(14,538.81)	(5,298.80)	(19,648.45)
10	Tax expense	-	-	(425.82)	-	-	-
	Current Tax	-	-	(456.52)	-	(913.03)	(1,782.87)
	Mat Credit Entitlement	-	-	(2,056.45)	-	(1,581.73)	(5,070.09)
	Deferred Tax	-	-	-	-	-	-
11	Net Profit (+) / Loss (-) from ordinary activities after tax (9-10)	(3,673.28)	(10,865.54)	(3,817.58)	(14,538.81)	(2,804.04)	(11,885.39)
12	Extraordinary item (net of tax expenses)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(3,673.28)	(10,865.54)	(3,817.58)	(14,538.81)	(2,804.04)	(11,885.39)
14	Paid-up equity share capital (face value of Rs. 10/- each)	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	12,443.16
16	Earnings Per Share						
	(of Rs 10/-each) (not annualised)						
	(a) Basic	(3.34)	(9.88)	(3.47)	(13.22)	(2.55)	(10.80)
	(b) Diluted	(3.34)	(9.88)	(3.47)	(13.22)	(2.55)	(10.80)

Part II	Particulars	Information for the Quarter and Six Months Ended 30 September 2012			6 Months Ended		Financial Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		2012	2012	2011	2012	2011	2012
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding	28,600,000	28,800,000	28,800,000	28,600,000	28,800,000	28,800,000
	- Number of shares	28.00%	20.00%	28.00%	28.00%	26.00%	26.00%
	- Percentage of shareholding						
2	Promoters and Promoter Group Shareholding						
a)	Pledged/Encumbered	55,000,000	55,000,000	-	55,000,000	-	17,300,000
	- Number of shares	67.57%	67.57%	-	67.57%	-	21.25%
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	50.00%	60.00%	-	50.00%	-	15.73%
	- Percentage of shares (as a % of the total share capital of the Company)						
b)	Non-encumbered	26,400,000	26,400,000	81,400,000	26,400,000	81,400,000	64,100,000
	- Number of shares	32.43%	32.43%	100.00%	32.43%	100.00%	78.75%
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	24.00%	24.00%	74.00%	24.00%	74.00%	58.27%
	- Percentage of shares (as a % of the total share capital of the Company)						

Particulars	3 Months ended 30 September 2012	
	2012	2012
B INVESTOR COMPLAINTS		NIL
Pending at the beginning of the quarter	2	2
Received during the quarter	2	2
Disposed of during the quarter		NIL
Remaining unresolved at the end of the quarter		



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Notes:
 1 Standalone Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	As at	
	30 September 2012	31 March 2012
A. EQUITY & LIABILITIES		
1 Shareholders' Fund	11,000.00	11,000.00
(a) Share Capital	(2,095.94)	12,443.10
(b) Reserves and Surplus	8,904.06	23,443.16
Sub-total - Shareholders' funds	152,873.77	92,236.62
2 Non-current liabilities		
(a) Long-term borrowings	7,872.00	7,872.00
(b) Deferred tax liabilities (net)	135.31	108.77
(c) Other long-term liabilities	170,682.08	100,217.39
(d) Long-term provisions		
Sub-total - Non-current liabilities	61,977.01	28,093.90
3 Current liabilities		
(a) Short-term borrowings	45,277.57	93,538.37
(b) Trade payables	52,058.32	87,717.14
(c) Other current liabilities	745.02	537.80
(d) Short-term provisions	160,067.92	209,877.21
Sub-total - Current liabilities	339,654.06	333,537.76
TOTAL - EQUITY AND LIABILITIES		
B. ASSETS		
1 Non-current assets		
(a) Fixed assets	266,001.32	255,951.31
(b) Non-current investments	6,104.00	6,104.00
(c) Long-term loans and advances	10,644.54	11,996.13
(d) Other non-current assets	877.89	708.87
Sub-total - Non-current assets	283,627.85	274,778.31
2 Current assets		
(a) Inventories	27,342.89	35,250.64
(b) Trade receivables	4,734.53	5,158.05
(c) Cash and cash equivalents	4,874.95	7,664.85
(d) Short-term loans and advances	18,032.72	10,197.03
(e) Other current assets	941.12	488.88
Sub-total - Current assets	56,026.21	58,759.45
TOTAL - ASSETS	339,654.06	333,537.76

- 2 As the Company's business activity falls within a single business segment, viz, "Iron & Steel products", the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting", notified by the Companies (Accounting Standards) Rules, 2008, are not applicable.
- 3 The Company's financial performance has been adversely affected mainly due to the non-availability of iron ore and other raw material, increasing raw material costs, high borrowing cost and volatile foreign exchange. The Company continued to incur losses and current liabilities continued to exceed its current assets since the last financial year, while the networth remains positive as at six months ended 30 September 2012. The Corporate Debt Restructuring Empowered Group (CDR EG) Cell vide its Letter of Approval dated 27 September 2012 has approved a package to restructure/reschedule the Company's Debt. The implementation of CDR Package is under progress. In view of the foregoing, the Company has prepared the financial results, on the basis of going concern assumption, to which Statutory Auditors had also drawn attention, without qualifying their opinion, in their review report on the Company's financial results for the previous quarter.
- 4 Subsequent to quarter ended 30 September 2012, the Company has acquired two subsidiaries, viz, VISA Coke Limited and VISA Special Steel Limited. The Company has also incorporated a subsidiary, viz, Kalinganagar Metcoke Pvt. Ltd. on 6 November 2012.
- 5 The Board of Directors of the Company at their meeting held on 18 October, 2012, had approved the transfer of its business of manufacturing and sale of metallurgical coke and associated steam generation units located at Kalinganagar, Odisha by way of slump sale on a going concern basis to VISA Coke Limited at its book value, subject to the approval of the shareholders of the Company and subject to the consents, permissions and sanctions as may be necessary from lenders, CDR EG Cell and other concerned authorities.
- 6 In view of high volatility in the value of Indian Rupee against USD and other foreign currency, the gain/(loss) arising out of the reinstatement of short term foreign currency monetary items has been considered as an exceptional item.
- 7 Figures for the corresponding period of the previous / current year have been re-classified / re-grouped wherever considered necessary.
- 8 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 November 2012. The Statutory Auditors have carried out a Limited Review of the above results.



By Order of the Board
 For VISA Steel Limited


Vishal Agarwal
 Managing Director

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

1. We have reviewed the results of VISA Steel Limited (the "Company") for the quarter ended 30 September, 2012 which are included in the accompanying 'Statement of Standalone Unaudited Results for the Quarter and Six Months Ended 30 September 2012' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Without qualifying our review opinion, we draw attention to Note 3 to the Statement, regarding the preparation of the financial results on a going concern basis. The Company incurred a net loss of Rs.14,538.81 lacs during the six months ended 30 September, 2012 and, as of that date, the Company's current liabilities exceeded its current assets, while the Company's net worth remains positive as at the quarter end. In view of restructuring/ rescheduling of debt of the Company's under process, as indicated in the said Note, the financial results for the quarter ended 30 September, 2012 have been prepared on a going concern basis and no adjustment has been made to the carrying value of the assets and liabilities.
6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Kolkata
Date: 14 November, 2012

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants

P Law
Partner
Membership Number 51790