



VISA STEEL - Marching Ahead !

During Q4 of FY'2007-08, VISA Steel has registered excellent growth in financial performance with a revenue growth of 78% to Rs. 259.66 Crores, increase in EBIDTA by 236% to Rs. 44.26 Crores, increase in PBT by 374% to Rs. 33.05 Crores and increase in PAT by 3129% to Rs. 20.99 Crores, compared to Q4 of FY'2006-07.

4th Quarter	Revenue	EBIDTA	PBT	PAT
Q4 FY'06-07	145.98	13.17	6.97	0.65
Q4 FY'07-08	259.66	44.26	33.05	20.99
Growth	78%	236%	374%	3129%

VISA Steel has significantly exceeded expectations and registered a robust financial performance in FY'2007-08 with a revenue growth of 27% to Rs. 682.81 Crores, increase in EBIDTA by 103% to Rs. 93.93 Crores, increase in PBT by 96% to Rs. 67.14 Crores and increase in PAT by 110% to Rs. 43.15 Crores.

Financial Year	Revenue	EBIDTA	PBT	PAT
2006-07	537.93	46.36	34.31	20.52
2007-08	682.81	93.93	67.14	43.15
Growth	27%	103%	96%	110%

The Board of Directors of VISA Steel has recommended a dividend of 10% on par value of Rs.10 per share for the year ended 31st March 2008, subject to the approval of the shareholders in the Annual General Meeting.

The hot metal production from the Blast Furnace operations was 67,497 MT during FY'07-08.

The coke production achieved during FY'2007-08 was 181,966 MT, an increase of approximately 205% over production of 59,643 MT during FY'06-07. The coke produced has been used partly for captive use and partly for sale.

During the year, the Company commissioned a 50,000 TPA Ferro Chrome Plant in November 2007. The Ferro Chrome production was 18,276 MT during FY'07-08.

Commenting on the performance for Q4 and FY'2007-08,

Mr. Vishal Agarwal, Managing Director, VISA Steel said - "The growth in revenue and profits during FY'07-08 have been driven by better realizations across products like Pig Iron, Coke and Ferro Chrome combined with higher volume growth in the Coke and Ferro Chrome operations.

The 300,000 TPA Sponge Iron Plant Project with 2 x 500 TPD Kilns and 2 x 25 MW Power Plant Project is nearing completion and are expected to contribute to revenues and profits from Q2 FY'2008-09 onwards.

Our strategy remains to establish a globally-competitive and world-class integrated facility of special and stainless steel making in Orissa, with captive power generation and backward linkage of raw material mines."

VISA Steel is planning to integrate backwards into mining of iron ore, chrome ore and coal. Iron ore is currently being sourced from OMC until commencement of its own mining operations. A part of the Patrapada Coal Block at Talcher with 54 million tonne deposit has been allotted to the Company. The Company is also developing a chrome ore deposit through its subsidiary company, Ghotaringa Minerals Limited. The requirement of coking coal is being imported from Australia.

Meanwhile, the prices of VISA Steel's saleable products such as Pig Iron, LAM Coke and Ferro Chrome have been firm and the outlook remains positive.

During the year, VISA Steel executed a Joint Venture Agreement with Baosteel Resources Co., Ltd., China and VISA Comtrade AG, Switzerland to set up a 100,000 TPA Ferro Chrome Plant in Orissa. VISA BAO Limited (VBL) has been incorporated on 1st February 2008 to give effect to this Joint Venture. VBL is a subsidiary of VISA Steel holding 51% of VBL's paid-up share capital with the balance 35% being held by Baosteel Resources and 14% by VISA Comtrade.

Commenting on the occasion, Mr. Vishambhar Saran, Chairman, VISA Steel said - "VISA Steel shall continue to create value by establishing global scale capacities and delivering sustainable growth while reinforcing our commitment to achieve the best standards of corporate governance."