
BIHAR SPONGE IRON LIMITED.

REGISTERED OFFICE & PLANT : UMESH NAGAR, CHANDIL-832401, DISTT. SARAIKELA - KHARSAWAN, JHARKHAND
PHONE (EPABX) : 06591-232410, 232417, Fax : 06591-232412
E-mail : bsilchandil@gmail.com / Web : bsil.org.in, CIN : L27106JH1982PLC001633

BSIL/CS/SE/2018

11th May, 2018

The General Manager

Listing Centre
BSE Limited
P J Towers, Dalal Street,
MUMBAI- 400 001

**SUB: REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.
SCRIP CODE: 500058**

Dear Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith a copy of Audited Financial Results for the quarter / year ended on 31st March, 2018 duly approved by the Board of Directors of the Company in their meeting held on 11th May, 2018 commenced at 12 noon and concluded at 1:50 p.m., along with the copy of the Auditors' Report of the Statutory Auditors' of the Company and statement on impact of Audit Qualifications.

Further the Audited Financial Results for the quarter / year ended on 31st March, 2018 is in compliance with the requirements as prescribed under Companies (Indian Accounting Standards) Rules, 2015 read with SEBI circular CIR/CFD/FAC/62/2016 dated 5th July, 2016.

Kindly acknowledge the receipt.

Thanking you

Yours faithfully

For BIHAR SPONGE IRON LTD



**Shubhangi Varshney
(Company Secretary)
[M. No.: A43431]**

BIHAR SPONGE IRON LIMITED, CHANDIL

Registered Office: Umesh Nagar, Chandil District, Saraikela Khasawan, Jharkand-832401
Email: Companysecretary@bsil.org.in / web:www.bsil.org.in CIN: L27106JH1982PLC001633

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2018

(Rs. in Thousands)

Sr. No.	Particulars	QUARTER ENDED			YEAT TO DATE	
		March 31, 2018 Audited	December 31, 2017 Unaudited	March 31, 2017 Audited	March 31, 2018 Audited	March 31, 2017 Audited
I	Revenue from operations		-	-		-
II	Other Income	17,456	29,602	7,264	70,433	20,415
III	Total Income (I +II)	17,456	29,602	7,264	70,433	20,415
IV	Expenses:					
a)	Cost of materials consumed	-	-	-	-	-
b)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	240	-	-	240	27
c)	Employee benefits expense	5,917	4,333	5,943	19,398	16,633
d)	Finance costs	1,132	2,144	280	3,927	1,497
e)	Depreciation and amortization expense	10,778	10,778	10,872	43,111	43,455
f)	Other expenses	2,571	2,025	(3,503)	10,591	10,458
	Total Expenses (IV)	20,638	19,280	13,592	77,267	72,070
V	Profit / (Loss) before exceptional items and tax (III - IV)	(3,182)	10,322	(6,328)	(6,834)	(51,655)
VI	Exceptional Items -Expenses/(Income)net	(10,316)	1,609	3,322	(5,607)	(13,996)
VII	Profit / (Loss) before tax (V - VI)	7,134	8,713	(9,650)	(1,227)	(37,659)
VIII	Tax expense:					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
	Total	-	-	-	-	-
IX	Profit/(Loss) for the period	7,134	8,713	(9,650)	(1,227)	(37,659)
x	Other Comprehensive Income	NIL	NIL	NIL	NIL	NIL
xi	Total Comprehensive Income for the period	7,134	8,713	(9,650)	(1,227)	(37,659)
xii	Paid up Equity Share Capital(Face value of Rs.10/each)	9,02,054	9,02,054	9,02,054	9,02,054	9,02,054
xiii	Earning per equity share: (Not annualised)					
	(1) Basic (Rs.)	0.08	0.10	(0.11)	(0.01)	(0.42)
	(2) Diluted (Rs.)	0.08	0.10	(0.11)	(0.01)	(0.42)



Statement of Assets & Liabilities

Particulars	(Rs. In Thousands)		
	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
	Audited	Audited	Audited
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	5,22,074	5,65,315	6,08,797
(b) Capital work-in-progress	28,207	28,128	28,128
(c) Intangible assets under development	4,725	4,725	4,725
(d) Other non-current assets	37,972	37,972	38,697
Sub-total	5,92,978	6,36,140	6,80,347
(2) Current Assets			
(a) Inventories	57,905	64,580	71,770
(b) Financial Assets			
(i) Trade receivables	-	-	-
(ii) Cash and cash equivalents	4,452	3,053	1,398
(iii) Bank balances other than mentioned above	4,640	4,640	69,962
(iv) Others	936	853	6,355
(c) Other assets	22,050	20,339	26,297
Sub-total	89,983	93,465	1,75,782
Total Assets	6,82,961	7,29,605	8,56,129
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	9,02,531	9,02,531	9,02,531
(b) Other Equity	(17,68,761)	(17,67,534)	(17,29,875)
Sub-total	(8,66,230)	(8,65,003)	(8,27,344)
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	6,16,560	6,15,901	6,57,901
(b) Provisions	25,601	37,536	48,397
(c) Other non-current liabilities	12,155	8,155	8,097
Sub-total	6,54,316	6,61,592	7,14,395
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	1,48,043	1,67,857	1,96,159
(ii) Other financial liabilities	6,98,599	6,97,754	6,96,767
(b) Other current liabilities	46,363	65,688	73,743
(c) Provisions	1,870	1,717	2,409
Sub-total	8,94,875	9,33,016	9,69,078
Total Equity & Liabilities	6,82,961	7,29,605	8,56,129



Notes:

- 1 On conservative basis, the Deferred Tax Assets have not been recognised.
- 2 The Company is a single location single product company and hence the requirements of IND AS 108 are not applicable.
- 3 As the net worth of the company has not become positive and accumulated losses increased substantially during the implementation of the BIFR Scheme from 29.07.2004 to 30.09.2011, the Company had submitted the Modified Draft Rehabilitation Scheme (MDRS) with the BIFR on 3rd December, 2012 (IFCI being the Monitoring Agency), the last hearing before the BIFR was held on 20.01.2014. Consequent upon repealing of SICA w.e.f. 01-12-2016, the proceedings pending before BIFR/ AAIFR have come to an end.
- 4 The Plant is under shut down since 9th August, 2013 on account of sudden stoppage of coal supply by Central Coalfields Limited, a Unit of Coal India Limited against long term Fuel Supply Agreement. The Company is pursuing with Jharkhand State Mineral Development Corporation Ltd. (JSMDC) for supply of coal. JSMDC vide letter No.1194 dated 15th October, 2014 approved the supply of 30,000 ton of Coal per month from Sikni Coal Mine to the Company. It was further informed by the JSMDC vide letter No.1088 dated 20th July, 2015 that they have even reduced the proposed supply to 10,000 ton of Coal per month initially which is highly insufficient for the operations of the plant at breakeven level.

With the revival of the steel industry, considering the substantial accumulated losses, full erosion of working capital and the liabilities including long term borrowings having matured fully along with interest having fallen due, the company has initiated requisite steps for making the plant ready for operations and with a view to generate revenue and make the plant operational, the company has, on 01-04-2017 entered in to a facility user agreement with a company specializing in contract manufacturing. Under the said agreement, part of the plant and machinery shall be operated by the said company. With the restart of the plant by them, the management believes that losses incurred in past will get wiped off and in due course the company will be able to operate in normal course of its business. The financial statements, as such have been prepared on going concern basis on the strength of management's plan of revival including reorganization of business and providing the adequate finance for the operations.

- 5 As on 31.03.2018 Disputed liability amounting to Rs. 3,08,439 thousands on account of currency fluctuations on Foreign currency loans obtained by the company and interest thereon, as per BIFR scheme dated 29.07.2004 and also confirmed by AAIFR and Single Bench of High Court of Jharkhand, Ranchi, has not been provided by the company pending disposal of Letters Patent Appellate Jurisdiction (LPA) filed before the Divisional bench of High Court of Jharkhand, Ranchi, against the above order
- 6 No provision has been made for penalty recovered by South East Coalfields Ltd. for Rs. 21,528 thousands on account of short lifting of coal qty. in terms of FSA. Since the matter is pending under writ petition filed by Company before the Hon'ble High Court of Chattisgarh, Bilaspur, the amount has been included in long term loans and advances.
- 7 a) The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from April 01, 2017 (being transition from April 01, 2016). Accordingly, the financial results for the quarter/year ended March 31, 2018 have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 as amended) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Consequently, the financial results for the corresponding quarter / year ended March 31, 2017 have been restated to comply with Ind AS to make them comparable.
b) Due to adoption of Ind-AS necessary changes have been done in the accounting, recognition and measurement criteria of various assets, liabilities and items of income and expenditures. Reconciliation between financial results for the quarter/year ended 31st March, 2018 reported under erstwhile Indian GAAP (Referred to as 'Indian GAAP') and Ind AS is not required/ covered since there was no item which need such reconciliation and adjustment.

- 8 In view of the facts stated under Note No 4 above, the Plant has been shut down and the operations suspended w.e.f. 9th August, 2013 and accordingly the provisions for undernoted items of expense have not been made in the accounts for the period from 10th August, 2013 to 31st March, 2018.

(a) Interest on Unsecured Loans taken from Promoters and Other Parties (amounts unascertained), and

(b) Interest on Soft Loan from Government of Jharkhand under Jharkhand Industrial Rehabilitation Scheme, 2003 amounting to Rs. 2,60,044 thousands which is subject to representations for waiver

- 9 Exceptional items include expenses of Rs. 1,608 thousands related to the write down in value of the inventories of Raw material and Stores & Spares to net realisable value and Rs. 11,060 thousands related to remeasurements recognised in OCI (Gain)/Loss in gratuity and leave encashments actuarial valuation and Rs. 864 thousands related to waive off of remuneration by Director (Works)
- 10 Previous period figures have been regrouped / recast / rearranged wherever necessary.
- 11 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 11, 2018.
- 12 The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year.



13 The Reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:

DESCRIPTION	(Rs. In Thousands)	
	Quarter ended 31st March, 2017	Year ended 31st March, 2017
Net Profit or (Loss) as per previous Gaap(Indian GAAP)	(9650)	(37659)
Add:Adjustment	3846	3846
Gain/Loss on Fair valuation of Investment	-	-
Net Profit or Loss as per IND AS	(13496)	(41505)
Other Comprehensive Income,net of Income tax	3846	3846
Total Comprehensive Income for the period	(9650)	(37659)

For BIHAR SPONGE IRON LTD

Place : New Delhi
Date : 11.05.2018



(U K. Modi)
Chairman

DIN: 00002757



Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

The Board of Directors
Bihar Sponge Iron Limited
Umesh Nagar, Chandil
Dist. Saraikela-Kharsawan
Pin-832401

1. We have audited the accompanying statement of Financial Results of Bihar Sponge Iron Limited ("the Company), for the quarter and year ended March 31, 2018 (the "Statement") being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management.

We believe that our audit provides a reasonable basis for our opinion.

3. We draw attention to the Statement:-

Note No. 5: regarding non recognition of liability on account of currency fluctuations on foreign currency loan and interest thereon (as required under Indian Accounting Standard- 21) amounting to Rs. 3,08,439 thousands on 31.03.2018 as provided in the BIFR Scheme dated 29.07.2004 and also confirmed by AAIFR and Single Bench of Jharkhand High Court, Ranchi. The company has filed Letters Patent Appellate Jurisdiction (LPA) before the Divisional Bench of High Court of Jharkhand, Ranchi against the order of Single Bench of High Court, Ranchi;

Note No. 6: no provision has been made on penalty recovered by South East Coalfields Ltd. for Rs. 21,528 thousands on account of short lifting of coal quantity in term of FSA, since the matter is pending under writ petition filed by Company before the Hon'ble High Court of Chhattisgarh, Bilaspur the amount has been included in long terms loans and advances.

Note No. 8: regarding non provision of the undernoted items of expense in view of suspension of operations of plant since 10th August, 2013 as well as other reasons contended by the company :-

- a) Interest on unsecured loan from Promoters and other parties from 10.08.2013 to 31.03.2018 (amount unascertained), and
- b) Interest on Soft Loan taken from the Government of Jharkhand under Jharkhand Industrial Rehabilitation Scheme 2003 amounting to Rs. 2,60,044 thousands from 10.08.2013 to 31.03.2018 which is subject to representations for waiver.



4. Attention is invited to Note No. 4 of the financial results on "Rehabilitation Scheme of the Company"; the management has explained its reasons for preparing financial statements on 'going concern basis'. The explanation is as under:-

With the revival of the steel industry, considering the substantial accumulated losses, full erosion of working capital and the liabilities including long term borrowings having matured fully along with interest having fallen due, the company has initiated requisite steps for making the plant ready for operations, with a view to generate revenue and make the plant operational. The company has, on 01-04-2017 entered in to a Facility User Agreement with a company specializing in contract manufacturing. Under the said agreement, part of the plant and machinery shall be operated by the said company. With the restart of the plant by them, the management believes that the company shall gradually start earning surplus and losses incurred in past will get wiped out in due course and there after the company will be able to operate in normal course of its business. The financial statements, as such have been prepared on going concern basis on the strength of management's plan of revival including restructuring of liabilities, providing the adequate finance for the operations and reorganization of business of the company.

Our opinion is not modified in respect of this matter since the company contemplates, as explained above, to run and operate the company on going concern basis.

5. In our opinion and to the best of information and according to the explanation given to us, the Statement:
- i) is prepared in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015; and
 - ii) except for the possible effects of the matter described in paragraph 3 above, gives a true and fair view in conformity with the aforesaid Indian accounting standards and other accounting principal generally accepted in India of the net loss for quarter ended March 31, 2018 as well as for the year ended on that date.

For K. K. Jain & Co.
Chartered Accountants
FRN 0002465N

(Ashok Kumar)
Partner
M.No. 086497

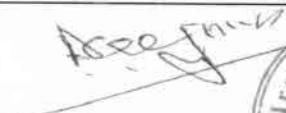

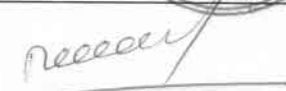




Place: New Delhi
Date: 11.05.2018

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-
with Annual Audited Financial Results**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**


(Amount in Thousands)

I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjustment for Audit qualifications	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	70433		70433
	2.	Total Expenditure	71660	590011	661671
	3.	Net Profit/(Loss)	(1227)	(590011)	(591238)
	4.	Earnings Per Share (in Rs.)	(0.01)	(6.54)	(6.55)
	5.	Total Assets	682961	(21528)	661433
	6.	Total Liabilities	1549191	568483	2117674
	7.	Net Worth	(1277547)	(590011)	(1867558)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil	Nil
II. Audit Qualification (each audit qualification separately):					
a. Details of Audit Qualification: As per Annexure 1					
b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion					
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing. Point No. I is appearing since F.Y. 2011-12, but the figures of foreign currency loan and interest has changed every year due to currency fluctuation and passage of time. Point No. II and III (a & b) is appearing since F.Y. 2013-14.					
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As per Annexure 1					
e. For Audit Qualification(s) where the impact is not quantified by the auditor:					
(i) Management's estimation on the impact of audit qualification: As per Annexure 1					
(ii) If management is unable to estimate the impact, reasons for the same: As per Annexure 1					
(iii) Auditors' Comments on (i) or (ii) above: As per Annexure 1					
III. Signatories:					
<ul style="list-style-type: none"> S. K. Gupta (Director-Works) (DIN: 03537417) 					
<ul style="list-style-type: none"> A. K. Sinha (Chief Financial Officer) 					
<ul style="list-style-type: none"> R. K. Agarwal (Audit Committee Chairman) (DIN: 00298252) 					
<ul style="list-style-type: none"> Ashok Kumar (M. No. 086497) Partner- K. K. Jain & Co. (Statutory Auditor) (FRN. 0002465N) 			 		
Place: New Delhi					
Date: 11/05/2018					

ANNEXURE-1

Impact is quantified by the auditor:

Details of Audit Qualification	Management's View
<p>I. Non recognition of liability on account of currency fluctuations on foreign currency loan and interest thereon (as required under Accounting Standard – 11, Revised) amounting to Rs. 3,08,439 Thousands as provided in the BIFR Scheme dt. 29.07.2004 and also confirmed by AAIFR and Single Bench of Jharkhand High Court, Ranchi. The company has filed Letters Patent Appellate Jurisdiction (LPA) before the Divisional Bench of High Court of Jharkhand, Ranchi against the order of Single Bench of High Court, Ranchi. (refer note no. 3)</p>	<p>Since the matter is disputed and pending before the Divisional Bench of the Hon'able Jharkhand High Court, recognition of liability on account of currency fluctuations on foreign currency loan and interest thereon has not been recognized as expenses and liability as at 31-03-2018 and the same will be treated as per the decision of the said court.</p>
<p>II. No provision has been made on penalty recovered by South Eastern Coal Fields Ltd. of Rs. 21528 Thousands on account of short lifting of coal quantity in terms of FSA. Since the matter is pending under writ petition filed by the Company before the Hon'ble High Court of Chhattisgarh, Bilaspur the amount has been included in long term loans and advances. (refer note no. 3)</p>	<p>No provision has been made for penalty recovered by South Eastern Coalfields Limited for Rs. 21528 Thousands in the FY 2011-12 on account of short lifting of coal quantity in terms of Fuel Supply Agreement (FSA) since the matter is pending before Hon'ble High Court of Chattisgarh, Bilaspur and the same will be treated as per the decision of the said court.</p>
<p>III. No provision of the undernoted items of expenses in view Suspension of operations of plant since 10th August, 2013 as well as other reasons contented by the company:- (b). Interest on Soft Loan taken from the Government of Jharkhand under Jharkhand Industrial Rehabilitation Scheme 2003 amounting to Rs. 2,60,044 Thousands from 10.08.2013 to 31.03.2018 which is subject to representation for waiver. (refer note no. 3)</p>	<p>No provision has been made on Interest on Soft Loan taken from the Government of Jharkhand under the Industrial Rehabilitation Scheme 2003 in view of shutdown of plant & suspension of operations from 10.08.2013 to 31.03.2018 which is subject to representation for waiver.</p>

As per


Recd


Impact is not quantified by the auditor:

Details of Audit Qualification	Management's View	Auditor's Comment
<p>III. No provision of the undernoted items of expenses in view of Shutdown of the Plant & Suspension of operations since 10th August, 2013 as well as other reasons contented by the company:-</p> <p>a. Interest on unsecured loan from Promoters and other parties from 10.08.2013 to 31.03.2018 (refer note no. 3) (amount unascertained).</p>	<p>In view of the shutdown of the plant & suspension of operations since 10th August, 2013, no provision has been made in the books of accounts as under:</p> <p>Interest on unsecured loan from Promoters and other parties from 10.08.2013 to 31.03.2018 is subject to representation for waiver. Thus the impact can't be estimated.</p>	<p>Since the matter is subject to representation for waiver to concerned parties the amount is unascertainable at this stage.</p>



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