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# BIHAR SPONGE IRON LIMITED

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REGISTERED OFFICE & PLANT : UMESH NAGAR, CHANDIL-832401, DISTT. SARAIKELA- KHARSAWAN, JHARKHAND  
Ph. +91 9955542302, E-mail: companysecretary@bsil.org.in / bsilchandil@gmail.com Website : www.bsil.org.in  
CIN: L27106JH1982PLC001633

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**Dated: 13<sup>th</sup> August, 2023**

To  
The General Manager  
Listing Centre  
BSE Limited  
P J Towers, Dalal Street,  
Mumbai- 400001.

**Scrip Code: 500058**

**Subject : Disclosure of continuing event pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This disclosure is being made pursuant to the amendments to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("LODR") dated 14<sup>th</sup> June 2023, which came into effect from 14<sup>th</sup> July 2023.

Pursuant to the amendment, we are required to disclose "Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity" including any continuing event or information which becomes material pursuant to notification of the amendment within thirty days from the effective date of the amendment.

Brief details of the litigations are attached as Annexure – 1.

This is for your information and records.

Thanking you,

**For Bihar Sponge Iron Limited**

Vimal Prasad Gupta  
Company Secretary &  
Compliance Officer  
FCS 6380

Attached - As above

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## ANNEXURE - 1

### **Details as required under Regulation 30 of the Listing Regulations read with SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023:**

S. No.	Particulars	Details
1.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation	JVAT demand for FY 2010-11 for the assessed tax and penalty vide demand notice No.18872 dt. 28.03.2014 (order dt. 12.03.2014) raised by the Dy. Commissioner of Commercial Taxes, Adityapur, JSR (net of amount paid Rs.134.89 Lakhs). The Company has filed appeal before the Commissioner of Commercial Taxes Jharkhand Ranchi on 29.05.2015 (Misc. Provision u/s 80(4) of JVAT Act.
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice, Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	Rs. 81.40 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
2.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Demand for water charges and interest thereon disputed under Writ petition before Jharkhand High Court, Ranchi.
	Expected financial implications, if any, due to compensation, penalty etc.	The demand of water charges Rs. 2131.91 Lakhs inclusive of interest on arrear of water bills as on 31.03.2023 (net provision made by company) raised by Chief Engineer, Subernarekha Multipurpose Project, Chandil had been disputed by the company under a Writ Petition with Jharkhand High Court, Ranchi. Hon'ble High Court had remanded the matter back to the Chief Engineer, Chandil Complex, Jamshedpur for passing a speaking order. However, a recovery certificate, has been issued by the Executive Engineer, Chandil for recovery of Rs. 2270.60 Lacs, which is being challenged by the Company. The company based on its own estimate of liability, has made total provision for Rs. 138.69 Lakhs up to 31st March, 2023.

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	Quantum of claims, if any	Rs. 2131.91 lacs. However, as per Company's own estimates net liability of Rs. 138.69 Lakhs may arise for which provision has been made in accounts.
3.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Railway Authorities has imposed penalty on the Company earlier which was dismissed by the Jharkhand High Court, Ranchi. Railway Authority has now filed a petition before Supreme Court, Delhi.
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice, Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	Rs. 56.00 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
4.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Disputed liability on account of currency fluctuation on foreign currency loans and interest thereon as provided in the BIFR Scheme dt. 29.07.2004 and also confirmed by AAIFR/ 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. It is pertinent to note that IFC (Washington) had filed application for withdrawal in C.A. No. 4075 of 2016 on 27.07.2018.
	Expected financial implications, if any, due to compensation, penalty etc.	In the review hearing held on 3rd September, 2007 & 22nd September, 2010, the BIFR, by exercising powers under Section 18 (5) and 18 (9) of the SICA, clarified / directed that the Company shall make payment of the due instalments to its foreign lenders in 'Euro' as per the amount reflected in Euro in the statement annexed to the sanctioned scheme along with the applicable interest i.e. LIBOR plus 1% per annum (LIBOR + 3% in case of delay/ default in payment of instalments).  The Company had filed appeal before the Appellate Tribunal for Industrial and Financial Reconstruction (AAIFR) challenging the above said order. AAIFR vide its order dated 23-12-2011 had dismissed the appeal. The above order of AAIFR was challenged by the Company by filing Writ Petition in Jharkhand High Court on 06.02.2012.

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		<p>In the hearing held on 22nd February, 2012, the Appeal was dismissed.</p> <p>The Company has not recognized Rs. 4065.68 Lakhs as on 31-03-2023 being the liability on account of foreign currency fluctuation in Euro on foreign currency loans instalments and interest thereon as per the BIFR Scheme. The Company has filed a Letters Patent Appellate Jurisdiction (LPA) on 27th July, 2012 before the higher bench in the High Court of Jharkhand, Ranchi against the order of the Single Judge which is still pending.</p>
	Quantum of claims, if any	Rs. 4065.68 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
5.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	<p>Disputed Income Tax Demand for short deduction/collection of tax at source based on the NSDL Report by DCIT, JSR U/s 156 raised for the Assessment Year 2004-05 &amp; 2005-06 was under appeal before CIT (Appeal).</p> <p>CIT (Appeal) vide Order dt. 28.03.2016 has dismissed the appeal filed by the Company.</p> <p>The Company had filed an appeal before the ITAT, Patna against above order.</p>
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice, Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	Rs. 55.95 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
6.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Disputed penalty recovered by South Eastern Coal Fields Ltd. on account of short lifting of coal in terms of Fuel Supply Agreement in FY 2011-12 for short lifting of Coal quantity as per Linkage. The matter is pending under Writ Petition filed by the Company before the Hon'ble High Court of Chattisgarh, Bilaspur.
	Expected financial implications, if any, due to compensation, penalty etc.	South Eastern Coalfield Ltd. has imposed and recovered a penalty by encashment the bank guarantee of Rs.215.28 Lakhs in 2011-12 on account of short lifting of coal quantity in terms of

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		Fuel Supply Agreement (FSA) dated 02.05.2008. The Company has taken up the matter with Coal India Limited/ South Eastern Coalfield Ltd. for refund of the said amount for settlement of dispute under clause 15.3 of the FSA. No provision has been made for penalty recovered since the matter is pending under writ petition filled by the Company before the Hon'ble High Court of Chattisgarh, Bilaspur.
	Quantum of claims, if any	Rs. 215.28 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
7.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Excise Duty demand of Rs. 23.53 Lacs with interest and penalty of Rs. 23.53 Lacs raised by Asstt. Commissioner, Central Excise, Div IV JSR vide order dt. 29-12-2016 for availing irregular claim of Cenvat in ER-6 in Dec 2014 on Supplementary invoices and on ineligible documents as per Rule 4(1), 9(1) and 9(2) of Cenvat Credit Rules. The matter is before CESTAT Kolkatta against order of CE (Appeal) dt 17-12-2018.
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	Rs. 47.06 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.
8.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Claims against the Company not acknowledged as debts pertaining to services rendered under contracts between the Company and a Party under the Civil Court, Saraikela, Jharkhand.
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	Rs. 79.23 lacs. However, it cannot be exactly quantified at this stage, outcome of the case may vary.

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9.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	<p>ACIT, Central Circle JSR vide Asstt. Order u/s 143(3) dt. 31.03.2016 for the AY 2013-14 has passed the order by reducing the returned loss from Rs. 2424.29 Lakhs to Rs.1740.15 Lakhs by disallowing the cost of Raw material consumption of Rs.684.14 lakhs due to excess consumption as compared to average of Rs.5. 2% of the sales value and issued notice of demand u/s 156 of the Act for levy of Penalty u/s 271(1) (c).</p> <p>Aggrieved by the said order, the Company filed appeal u/s 246 A of the Income Tax Act before the Commissioner of Income Tax (Appeals)-3, Patna on 2.5.2016 for drop of disallowance and dismissal of Penalty proceedings.</p>
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	It cannot be exactly quantified at this stage, outcome of the case may vary.
10.	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	<p>ACIT, Central Circle JSR vide Asstt. Order U/S 143(3) dt 30-09-2016 for the AY 2014-15 has reduced the returned loss from Rs.1220.69 Lakhs to Rs.562.08 Lakhs by disallowing the cost of raw material Rs.14.54 Lakhs, personnel cost Rs.369.94 Lakhs and depreciation of Rs.143.19 Lakhs and issued notice of demand u/s 156 of the Act for levy of penalty u/s 271(1)(c) of the Act.</p> <p>Aggrieved by the said order, the company has filed appeal u/s 246A of the Act before the Commissioner of Income Tax, (Appeal) Patna on 05-11-2016 for drop of disallowances and penalty proceedings.</p>
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	It cannot be exactly quantified at this stage, outcome of the case may vary.
11.	Brief details of litigation viz. name(s) of the	Income Tax Department has filed criminal proceedings against the company and Mr. R. K.

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opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	Sharma for delay in deposit of Tax Deducted at source in the Economic Offence court at Ranchi.  The Company has also filed an application for compounding of the offence before the Principal Commissioner at Patna.
Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
Quantum of claims, if any	NA