

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

8th February, 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 Unaudited Financial Results for the third quarter and nine months ended on 31st December, 2017 duly approved by the Board of Directors of the Company in their meeting held on 8th February, 2018 commenced at 12:00 Noon and concluded at 2:50 P.M., along with the copy of the Limited Review Report of the Statutory Auditors' of the Company.



Further, the Unaudited Financial Results for the third quarter and nine months ended on 31st December, 2017 is in compliance with the requirements as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and 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 Distric, Saraikela Khasawan, Jharkand-832401
Email: companysecretary@bsil.org.in / web: www.bsil.org.in CIN: L27106JH1982PLC001633

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED ON 31ST DECEMBER, 2017

(Rs. Thousands)

Sr. No	Particulars	QUARTER ENDED			NINE MONTHS ENDED	
		December 31, 2017 Unaudited	September 30, 2017 Unaudited	December 31, 2016 Unaudited	December 31, 2017 Unaudited	December 31, 2016 Unaudited
I	Revenue from operations	-	-	-	-	-
II	Other Income	29,602	12,331	4,046	52,977	13,152
III	Total Income (I +II)	29,602	12,331	4,046	52,977	13,152
IV	Expenses:					
a)	Cost of materials consumed	-	-	-	-	-
b)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-	-	-	-	-
c)	Employee benefits expense	4,333	5,174	2,239	13,481	10,690
d)	Finance costs	2,144	299	169	2,795	1,217
e)	Depreciation and amortization expense	10,778	10,778	10,862	32,333	32,584
f)	Other expenses	2,025	2,732	2,189	8,020	8,603
	Total Expenses (IV)	19,280	18,983	15,459	56,629	53,094
V	Profit / (Loss) before exceptional items and tax (III - IV)	10,322	(6,652)	(11,413)	(3,652)	(39,942)
VI	Exceptional Items -Expenses/(Income)net	1,609	1,485	(15,531)	4,709	(11,958)
VII	Profit / (Loss) before tax (V - VI)	8,713	(8,137)	4,118	(8,361)	(27,984)
VIII	Tax expense:					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
	Total	-	-	-	-	-
IX	Profit/(Loss) for the period	8,713	(8,137)	4,118	(8,361)	(27,984)
x	Other Comprehensive Income	NIL	NIL	NIL	NIL	NIL
xi	Total Comprehensive Income for the period	8,713	(8,137)	4,118	(8,361)	(27,984)
xii	Paid up Equity Share Capital(Face value of Rs.10/each)	902,054	902,054	902,054	902,054	902,054
xiii	Earning per equity share: (Not annualised)					
	(1) Basic (Rs.)	0.10	(0.09)	0.05	(0.09)	(0.31)
	(2) Diluted (Rs.)	0.10	(0.09)	0.05	(0.09)	(0.31)



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 separate segment reporting under Ind AS 108 is 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 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 has in this direction, 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 31.12.2017 Disputed liability amounting to Rs. 292,715 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/ Single Bench of Jharkhand High Court, has not been provided by the company pending disposal of Letters Patent Applet Jurisdiction (LPA) filed before the larger bench of Jharkhand High Court, 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 and hence 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 ended December 31, 2017, 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 ended December 31, 2016 have been restated to comply with Ind AS to make them comparable.
b) The Statement does not include Ind AS- compliant statement of results for the previous year ended March, 2017 as the same is not mandatory as per SEBI's circular dated July 5, 2016.
c) Due to adoption of Ind-AS necessary changes has 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 ended 31st December, 2017 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 undeposited items of expense have not been made in the accounts for the period from 10th August, 2013 to 31st December, 2017.
(a) Interest on Unsecured Loans taken from Promoters and Other Parties (amounts unascertained),
(b) Interest on Soft Loan from Government of Jharkhand under Jharkhand Industrial Rehabilitation Scheme, 2003 amounting to Rs. 2,45,313 thousands which is subject to representations for waiver, and
(c) Salaries, wages and allowances as well as employee benefits expenses and interest on statutory dues related to P.F. and Family Pension Fund etc.(amount unascertained)
9. Exceptional items include expenses of Rs. 1,609 thousands related to the write down in value of the inventories of Raw material and Stores & Spares to net realisable value.
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 February 08, 2018.
12. The Financial Results have been reviewed by the Statutory Auditor as required under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
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



Rs.Thousands

DESCRIPTION:	Quarter ended 31st December, 2016	Nine Month ended 31st December, 2016
Net Profit or (Loss) as per previous Gaap(Indian GAAP)	4118	(27984)
Add:Adjustment	-	-
Gain/Loss on Fair valuation of Investment	-	-
Net Profit or Loss as per IND AS	-	-
Other Comprehensive Income,net of income tax	-	-
Total Comprehensive Income for the period	4118	(27984)

Place : New Delhi
Date : 08.02.2018

For: BIHAR SPONGE IRON LTD.

(U. K. Misra)
Chairman
DIN: 00002557



INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Bihar Sponge Iron Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Bihar Sponge Iron Limited, ("the Company"), Umesh Nagar, Chandil, Dist. Saraikela-Kharsawan – 832401 for the quarter and nine months ended 31st December, 2017 (herein referred to as 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 5th July, 2016.

This Statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these unaudited financial statements based on our Review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information" 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. A review is limited primarily to inquiries of company's 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.
3. Attention is drawn on:-

Note No.5: regarding 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. 2,92.715 thousands as provided in the BIFR Scheme dt. 29.07.2004 and also confirmed by AAIFR/ Single Bench of Jharkhand High Court, Ranchi since the company against the order of Single Bench of High court, has filed Letters Patent Appellate Jurisdiction (LPA) before the Divisional Bench of High Court of Jharkhand, 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 and hence 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 shutdown of the plant & suspension of operations 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 31.12.2017 (amount unascertained).
 - b) Interest on Soft Loan taken from the Government of Jharkhand under and Industrial Rehabilitation Scheme 2003 amounting to Rs. 2,45,313 thousands from 10.08.2013 to 31.12.2017 which is subject representations for waiver and
 - c) Salaries, Wages, Allowances as well as employee benefit expenses and interest on statutory dues related to Provident Fund and Family Pension Fund etc. w.e.f.10.08.2013 to 31.12.2017 (amount unascertained).
4. Based on our review conducted as above, nothing has come to our attention except for the possible effects of the matter described in paragraph 3 above, that causes us to believe that the accompanying interim statement of unaudited financial results prepared in accordance with the aforesaid Indian Accounting Standards, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No CIR/CFD/FAC/62/2016 dated July 05,2016, including the manner in which it is to be disclosed ,or that it contains any material misstatement.

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

Simmi Jain

(Simmi Jain)

Partner

M.No. 086496



Place: New Delhi
Date: 08.02.2018