

BIHAR SPONGE IRON LIMITED

PART I Statement of Unaudited Financial Results For the Quarter ended 30 June, 2014

Rs in Lakhs

Sr. No.	Particulars	Quarter Ended		Year Ended	
		30 June'14	31 March'14	30 June'13	31 Mar'2014
		Unaudited	Audited	Unaudited	Audited
1	Income from Operations				
	(a) Net Sales/Income from operations (Net of excise duty)	-	-	1,333	1,910
	(b) Other operating income	27	127	34	211
	Total income from operations (net)	27	127	1,367	2,121
2	Expenses				
(a)	Cost of materials consumed	-	(10)	1,050	1,212
(b)	Purchase of stock - in -trade	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-	-	79	425
(d)	Employee benefit expense	57	(5)	414	668
(e)	Power & fuel	-	95	287	442
(f)	Store and Repairs & Maintenance	-	(16)	95	132
(g)	Packing, Freight & forwarding	-	(7)	24	17
(h)	Depreciation and amortization expense	85	83	87	343
(i)	Other Expenses	21	32	96	228
	Total Expenses	163	172	2,132	3,467
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(136)	(45)	(765)	(1,346)
4	Other Income	18	19	15	64
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)	(118)	(26)	(750)	(1,282)
6	Finance costs	8	(187)	255	389
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(126)	161	(1,005)	(1,671)
8	Exceptional items-(Income)/Expenditure	-	103	-	103
9	Profit/(Loss) from ordinary activities before tax (7-8)	(126)	58	(1,005)	(1,774)
10	Tax Expense	-	-	-	-
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(126)	58	(1,005)	(1,774)
12	Extraordinary items (net of tax expense/liabilities)	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(126)	58	(1,005)	(1,774)
14	Paid up equity share capital (face value Rs 10 each)	9,025	9,025	9,025	9,025
15	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	2,378	2,378	2,378	2,378
16.i	Earnings per share (before extraordinary items)(of Rs 10 each) (not annualised):				
	(a) Basic	(0.14)	0.06	(1.11)	(1.97)
	(b) Diluted	(0.14)	0.06	(1.11)	(1.97)
16.ii	Earnings per share (after extraordinary items)(of Rs 10 each) (not annualised):				
	(a) Basic	(0.14)	0.06	(1.11)	(1.97)
	(b) Diluted	(0.14)	0.06	(1.11)	(1.97)

BIHAR SPONGE IRON LTD.


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 [CHAIRMAN]

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Part II:-

Sr. No.	Particulars	Quarter Ended		Year Ended	
		30 June'14	31 March'14	30 June'13	31 Mar'2014
		Unaudited	Audited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	27652824	27652824	27652824	27652824
	- Percentage of shareholding	30.66	30.66	30.66	30.66
2	Promoters and Promoter Group Shareholding				
	(a) Pledged/Encumbered				
	- Number of shares	32500000	32500000	32500000	32500000
	- percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.96	51.96	51.96	51.96
	- Percentage of shares (as a % of the share capital of the company)	36.03	36.03	36.03	36.03
	(b) Non-encumbered				
	- Number of shares	30052579	30052579	30052579	30052579
	- percentage of shares (as a % of the total shareholding of promoter and promoter group)	48.04	48.04	48.04	48.04
	- Percentage of shares (as a % of the share capital of the company)	33.32	33.32	33.32	33.32


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	Particulars	3 month ended as on 30 th June, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	2
	Disposed off during the quarter	2
	Remaining unresolved at the end of quarter	NIL

Note:

- 1 On conservative basis, the Deferred Tax Assets have not been recognised for the current financial year.
- 2 The Company is a single location single product company and hence the requirements of AS 17 are not applicable.
- 3 As on 30.06.2014 Disputed liability amounting to Rs.2769.93 Lacs 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 Appellate Jurisdiction (LPA) filed before the larger bench of Jharkhand High Court, Ranchi, against the above order.
- 4 No provision has been made for penalty recovered by South Eastern Coalfields Ltd.for Rs. 215.28 Lacs on account of short lifting of coal qty. in term 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.
- 5 As the net worth of the Company has not become positive during the implemetation of the BIFR Scheme from 29.07.2004 to 30.09.2011, the Company has submitted the Modified Draft Rehabilitation Scheme (MDRS) with the BIFR on 3rd December,2012 and the Monitoring AGENCY (IFCI), the MDRS is pending for consideration.
- 6 No provision has been made for additional price of R.171.79 Lacs as recovered by the Central Coalfields Limited over the prevailing price of coal as per tapering linkage policy. Since the matter is pending under writ petition filed by Company before the Hon'ble High Court of Jharkhand,Ranchi and hence the amount has been included in short term
- 7 Central Coalfiels Limited (CCL) has stopped supply of linkage coal to the company from 5th February 2013. The afforsaid action of CCI has also been challanged by way of Writ Petition filed by Comany before Hon'ble High Court of Jahrkhand and the same is pending.
- 8 In view of the facts stated under Note No. 6 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 30 th June, 2014.
 - (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.422.67 lacs which is subject to representations for waiver, and
 - (c) Salaries, Wages and allowances as well as employee benefits expenses (amount unascertained).
- 9 Since the Company's Operations has been suspended due to closure of the plant w.e.f. 9th August 2013, the Fixed Assets Register is not available as such it is not possible to find out the classification of assets under the sub heads of each main head to ascertain the depreciation rate based on Schedule II of the Companies Act, 2013 which is applicable w.e.f. 01.04.2014. In view of this, depreciation on fixed assets for the quarter ended 30.06.2014 has been provided for on the basis of rates prescribed in Schedule XIV of the Companies Act, 1956. The management is of the view that there would not be much difference in the amount of depreciation including the depreciation for assets whose useful life has already exhausted as on 01.04.2014 and the effect is to be taken with the Opening Reserves & Surplus. The final effect of the same would be considered as soon as the records are ready.
- 10 Chandil Power Limited (CPL) has become a subsidiary of the Company under section 2(87)(2) of the Companies Act,2013. CPL is still under development stage and hence no consolidation of accounts has been done in line with the provision of AS-21.
- 11 Previous period figures have been regrouped / recast / rearranged wherever necessary.
- 12 The above financial results have been reviewed by the Audit Committee and approved by the Committee of Directors in their meeting held on August 14, 2014.
- 13 The Statutory Auditors has carried out the Limited Review of the above Financial results for the quarter ended June 30, 2014.

For BIHAR SPONGE IRON LTD.

(U.K.Modi)
ChairmanPlace : New Delhi
Date : 14.08.2014

TRAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants
New Delhi, Mumbai, Kolkata, Chennai.
Patna and Chandigarh

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LIMITED REVIEW REPORT

The Board of Directors
Bihar Sponge Iron Limited
Umesh Nagar, Chandil
Dist. Saraikela – Kharsawan
Pin – 832 401

We have reviewed the accompanying Statement of Unaudited Financial Results of Bihar Sponge Iron Limited for the Quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements 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. Our 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.

Attention is drawn on:-

Note No. 3 of 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. 2769.93 lacs 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. 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 30.06.2014 (amount unascertained).*

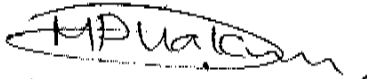


- b) *Interest on Soft Loan taken from the Government of Jharkhand under and Industrial Rehabilitation Scheme 2003 amounting to Rs. 422.67 lacs from 10.08.2013 to 30.06.2014 which is subject to representations for waiver and*
- c) *Salaries, Wages, Allowances as well as employee benefit expenses w.e.f.10.08.2013 to 30.06.2014, (amount unascertained).*

Note No. 9 regarding the effect of provision for depreciation under Schedule XIV of the Companies Act, 1956 instead of rates based on Schedule II of the Companies Act, 2013 effective from 01.04.2014 due to reasons stated therein.

Based on our review conducted as above and subject to the amount involved in rectifying the matters to which attention have been drawn above on preceding paragraphs and their consequential financial effect thereof on the unaudited financial results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards in the attached un-audited financial results and other recognized accounting practices and policies 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.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN 000038N



(M.P. Thakur)
Partner
M.No. 052473

Place: New Delhi
Date : 14.08.2014

