

**Limited Review Report on unaudited Quarter ended Financial Results of Bengal Tea & Fabrics Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors,  
Bengal Tea & Fabrics Limited,  
Century Towers, 4<sup>th</sup> Floor,  
45, Shakespeare Sarani  
Kolkata-700017

We have reviewed the accompanying Statement of Unaudited Financial Results of **Bengal Tea & Fabrics Limited** ("the company") for the Quarter ended June 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement is in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 as amended, is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on August 11, 2018. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review total revenues of Rs. 1,834 Lakhs and Rs. Nil and total assets of Rs. 4,381 Lakhs and Rs. 2,026 Lakhs for the quarter ended June 30, 2018 included in the accompanying unaudited financial results in respect of the company's Fabric (Asarwa) division and Company's Real Estate division respectively. Further, we did not review total assets of Rs.378 lakhs which is related to the company's discontinued operation (Spinning Division) (Refer Financial Results - Note No. 2). Financial statements of such divisions have been reviewed by the branch auditor and report has been furnished to us. Our conclusion on the unaudited financial results, in so far as it relates to the affairs of such divisions is based solely on the report of the branch auditor. Our conclusion is not modified in respect of this matter.

Based on our review conducted as stated above, nothing has come to our attention, that causes us to believe that the accompanying statement prepared in accordance with the recognition and measurement principles laid down in the applicable Accounting Standards i.e. IND AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under 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 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material mis-statement.

For Singhi & Co.  
Chartered Accountants  
Firm Registration No.302049E



  
(Aditya Singhi)  
Partner  
Membership No.305161

Place: Kolkata  
Date: August 11, 2018

**BENGAL TEA & FABRICS LIMITED**

CIN : L51909WB1983PLC036542

Regd. Office : Century Towers, 4th Floor, 45, Shakespeare Sarani, Kolkata - 700017

Compliance Officer's Email ID : investor@bengaltea.com

Telefax – 91 -33 2283 6416/17 Website: www.bengaltea.com

**Statement of Unaudited Financial Results for the Quarter ended 30<sup>th</sup> June, 2018**

(₹ in lakhs)					
	Particulars	Quarter ended			Year ended
		30 <sup>th</sup> June, 2018 Unaudited	31 <sup>st</sup> March, 2018 Audited (Refer Note 5)	30 <sup>th</sup> June, 2017 Unaudited	31 <sup>st</sup> March, 2018 Audited
	<b>Revenue :</b>				
I	Revenue from Operation	2,900	2,208	3,247	12,149
II	Other Income	58	80	43	150
III	<b>Total Revenue (I+II)</b>	<b>2,958</b>	<b>2,288</b>	<b>3,290</b>	<b>12,299</b>
IV	<b>Expenses :</b>				
	a. Cost of Materials consumed	1,242	915	1,297	4,769
	b. Purchase of Stock-in- Trade	8	7	12	45
	c. Changes in inventories of finished goods, work-in-progress and Stock-in-trade	(172)	231	(218)	(22)
	d. Employee benefits expense	674	554	612	2,377
	e. Finance Cost	69	75	70	280
	f. Depreciation and amortisation expense	118	139	166	589
	g. Power & Fuel	367	307	486	1,603
	h. Other expenses	539	561	519	2,225
	<b>Total Expenses</b>	<b>2,845</b>	<b>2,789</b>	<b>2,944</b>	<b>11,866</b>
V	<b>Profit/ (Loss) before Tax (III-IV)</b>	<b>113</b>	<b>(501)</b>	<b>346</b>	<b>433</b>
VI	<b>Tax Expense</b>				
	1. Current Tax	31	(87)	(2)	8
	2. Deferred Tax ( Refer Note 6)	2	(276)	40	(160)
	3. (Excess) / Short provision for taxes of earlier years	-	-	-	(5)
VII	<b>Profit / (Loss) for the period from Continuing Operations (V-VI)</b>	<b>80</b>	<b>(138)</b>	<b>308</b>	<b>590</b>
VIII	Profit / (Loss) from Discontinued Operation	56	(219)	(644)	(1,164)
IX	Tax Expense of Discontinued Operation	15	103	(73)	(72)
X	Profit / (Loss) from Discontinued Operation (after Tax) (VIII-IX)	41	(322)	(571)	(1,092)
XI	<b>Profit/ (Loss) for the Period (VII+X)</b>	<b>121</b>	<b>(460)</b>	<b>(263)</b>	<b>(502)</b>
XII	<b>Other Comprehensive Income</b>				
	A (I) Items that will not be re-classified to profit or loss				
	i. Remeasurement of defined benefit plans	-	78	(12)	41
	(II) Income tax relating to items that will not be reclassified to profit or loss	-	(7)	2	-
XIII	<b>Total Comprehensive Income (comprising profit / (loss) and Other Comprehensive Income ) for the period (XI+XII)</b>	<b>121</b>	<b>(389)</b>	<b>(273)</b>	<b>(461)</b>
	Paid-up Equity Share Capital (Face value per share ₹ 10/- )	901	901	901	901
	Other Equity excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	8,785
XIV	<b>Earning per Share (not annualised for the quarter)</b>				
	Basic & Diluted (Continuing Operations) (in ₹)	0.89	(1.53)	3.42	6.55
	Basic & Diluted (Discontinued Operation) (in ₹)	0.45	(3.57)	(6.34)	(12.12)
	Basic & Diluted (Continuing & Discontinued Operations) (in ₹)	1.34	(5.10)	(2.92)	(5.57)



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Segment wise Revenue, Results, Assets and Liabilities as on 30<sup>th</sup> June, 2018

(₹ in lakhs)

	Particulars	Quarter ended		Year Ended	
		30 <sup>th</sup> June, 2018 Unaudited	31 <sup>st</sup> March, 2018 Audited (Refer Note 5)	30 <sup>th</sup> June, 2017 Unaudited	31 <sup>st</sup> March, 2018 Audited
<b>1</b>	<b>Segment Revenue</b>				
	(a) Fabric Division	1,834	1,823	2,218	7,455
	(b) Tea Division	1,066	385	1,029	4,694
	(c) Real Estate Division	-	-	-	-
	<b>Revenue from Operations</b>	<b>2,900</b>	<b>2,208</b>	<b>3,247</b>	<b>12,149</b>
<b>2</b>	<b>Segment Results</b>				
	(a) Fabric Division	15	(19)	169	(172)
	(b) Tea Division	199	(373)	261	969
	(c) Real Estate Division	-	-	-	-
	<b>Total</b>	<b>214</b>	<b>(392)</b>	<b>430</b>	<b>797</b>
	Less: (i) Finance Cost	69	75	70	280
	Less: (i) Other Un-allocable Expenditure	42	47	33	156
	(ii) Un-allocable (income)/Loss	(10)	(13)	(19)	(72)
	<b>Total Profit /(Loss) Before Tax</b>	<b>113</b>	<b>(501)</b>	<b>346</b>	<b>433</b>
<b>3</b>	<b>Segment Assets</b>				
	(a) Fabric Division	4,381	4,385	5,532	4,385
	(b) Tea Division	5,616	5,146	5,521	5,146
	(c) Real Estate Division	2,026	2,027	1,969	2,027
	(d) Unallocated	1,286	1,420	1,512	1,420
	<b>Total Segment Assets</b>	<b>13,309</b>	<b>12,978</b>	<b>14,534</b>	<b>12,978</b>
<b>4</b>	<b>Segment Liabilities</b>				
	(a) Fabric Division	2,462	2,859	2,690	2,859
	(b) Tea Division	1,351	1,017	1,337	1,017
	(c) Real Estate Division	51	81	62	81
	(d) Unallocated	17	18	22	18
	<b>Total Segment Liabilities</b>	<b>3,881</b>	<b>3,975</b>	<b>4,111</b>	<b>3,975</b>
Note : the segment information stated above does not include the following information relating to discontinued operation as stated in note 2 & 3 of the published results.					
<b>5</b>	<b>Information related to Discontinued Operation</b>				
	(a) Segment Revenue	-	-	1,438	2,344
	(b) Segment Results	56	(219)	(644)	(1,164)
	(c) Segment Assets	378	697	2,545	697
	(d) Segment Liabilities	-	14	2,957	14



**Notes:**

(1) The above results have been reviewed by the Audit Committee and thereafter taken on record by the Board of Directors at their meeting held on 11<sup>th</sup> August, 2018. Figures of the quarter ended 30<sup>th</sup> June, 2018 were subject to limited review by the Statutory Auditors.

(2) The Company has closed the spinning section (Yarn Segment) at the Textile Unit of the Company situated at Asarwa Mills, Ahmedabad w.e.f 15<sup>th</sup> September 2017 after obtaining requisite approvals from the shareholders. Accordingly, the financial results of the Yarn Division has been shown as "Discontinued Operation" in terms of IND AS 105 in the results as published.

(3) Loss from Discontinued Operations includes :

(a) Retrenchment Compensations of ₹ Nil lakhs during the quarter ended 30<sup>th</sup> June 2018; ( ₹ 16 lakh for the Quarter ended 31<sup>st</sup> March 2018; ₹ 397 lakh for the quarter ended 30<sup>th</sup> June, 2017 & ₹ 689 lakhs during the financial year ended 31<sup>st</sup> March 2018) paid to the employees laid off due to closure of the Yarn Division of Textile Unit of the Company, as per relevant labour laws & regulations.

(b) Impairment in value of Plant & Machinery of ₹ 193 lakhs during the year ending 31<sup>st</sup> March, 2018;

(c) Profit from sale of machineries of ₹ 56 lakh during the quarter ended 30<sup>th</sup> June 2018; ( ₹ 28 lakhs during quarter ended 31<sup>st</sup> March 2018; ₹ 109 lakh during quarter ended 30<sup>th</sup> June 2017 & ₹ 183 lakhs during year ended 31<sup>st</sup> March 2018).

(4) Ind AS 115, Revenue from Contracts with Customers, mandatory for reporting period beginning on or after 1st April 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to be made to the retained earnings as at 1st April 2018. Also, the application of Ind AS 115 did not have any significant impact on the results for the period.

(5) The figures for the quarter ended 31st March, 2018 are the balancing figures between the audited figures in respect of the full financial year and unaudited published figures upto the third quarter for the respective years.

(6) Deferred tax is calculated net of Mat Credit Entitlement, if any.

(7) During the quarter, the company has provided for additional liability of ₹ 95 lakhs which comprises of wage liability arising from the interim increase in the wage rate of tea garden labourers by ₹ 30/day, including other associated costs.

(8) The above financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) -34 " Interim Financial Reporting" as prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

(9) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter ended 30<sup>th</sup> June 2018.

Place: Kolkata

Date: 11<sup>th</sup> August, 2018

For and on behalf of the Board of Directors



Adarsh Kanoria  
Managing Director  
(DIN: 00027290)



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**Extract of Unaudited Financial Results for the Quarter ended 30<sup>th</sup> June, 2018****(₹ in lakhs except per share data and where otherwise stated)**

		Quarter ended			Financial Year ended
		30 <sup>th</sup> June 2018 Unaudited	31 <sup>st</sup> March 2018 Audited	30 <sup>th</sup> June 2017 Unaudited	31 <sup>st</sup> March 2018 Audited
1	Total Income from operations	2,900	2,208	3,247	12,149
2	Net Profit / (Loss) before tax from continuing Operations	113	(501)	346	433
3	Net Profit / (Loss) before tax from Discontinuing Operations	56	(219)	(644)	(1,164)
4	Net Profit / (Loss) after tax from Continuing Operations	80	(138)	308	590
5	Net Profit / (Loss) after tax from Discontinuing Operations	41	(322)	(571)	(1,092)
6	Total Comprehensive Income for the period [comprising Profit/ (Loss) for the period and other Comprehensive Income]	121	(389)	(273)	(461)
7	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	901	901	901	901
8	Other Equity excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	8785
9	<b>Earnings Per Share (EPS) - (Not Annualized)</b>				
i.	Basic and Diluted EPS -Continuing Operations (of ₹ 10/- each) (in ₹ )	0.89	(1.53)	3.42	6.55
ii.	Basic and Diluted EPS -Discontinued Operation (of ₹10/- each) (in ₹ )	0.45	(3.57)	(6.34)	(12.12)
i.	Basic and Diluted EPS -Continuing and Discontinued Operations (of ₹10/- each) (in ₹ )	1.34	(5.10)	(2.92)	(5.57)

**Note:**

1) The above results were reviewed by the Audit Committee and thereafter taken on record by the Board of Directors at their meeting held on 11<sup>th</sup> August, 2018. Figures of the quarter ended 30<sup>th</sup> June, 2018 were subject to limited review by the Statutory Auditors.

2) The above is an extract of the detailed format of Unaudited Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results are available on the Stock Exchange website : (www.bseindia.com) and on the Company's website : (www.bengaltea.com).

3) The Company has adopted Indian Accounting Standards (IND AS) notified by the Ministry of Corporate Affairs from 1st April 2017 and accordingly these financial results along with the Comparatives have been prepared in accordance with the recognition and measurement principles laid down as per IND AS -34 "Interim Financial Reporting" as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles.

Place: Kolkata

Date: 11<sup>th</sup> August, 2018

For and on behalf of the Board of Directors

*Adarsh Kanoria*  
**Adarsh Kanoria**  
 Managing Director  
 (DIN: 00027290)

