


Independent Auditor's Review Report on the unaudited quarterly financial results of Bengal Tea & Fabrics Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Bengal Tea & Fabrics Limited

1. We have reviewed the accompanying statement of unaudited financial results of M/s Bengal Tea & Fabrics Limited ("the Company") for the quarter ended June 30, 2019 ("the Statement"), being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred as "the Regulation"), read with relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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 ("the Act") read with relevant rules issued there under, SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We did not review total revenues of Rs. 2,056 Lakhs and Rs. Nil for the quarter ended June 30, 2019 included in the accompanying unaudited financial results in respect of the company's Textile Division (Asarwa) and Company's Real Estate Division respectively. Further, we did not review total assets of Rs. 286 lakhs which is related to the company's discontinued operation (Spinning Division) (Refer Financial Results - Note No. 3). Financial results of such divisions have been reviewed by the other 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 other auditor. Our conclusion is not modified in respect of this matter.
5. Based on our review conducted as 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Singhi & Co
Chartered Accountants
Firm's Registration No. 302047E


(Aditya Singhi)
Partner

Membership No.: 305161

UDIN: 19305761AAGB6619

Place: Kolkata

Date: August 10, 2019

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 30th June, 2019

(₹ in lakhs)

	Particulars	Quarter ended			Year ended
		30th June, 2019 Unaudited	31 st March, 2019 *Refer Note (4)	30 th June, 2018 Unaudited	31 st March, 2019 Audited
	Revenue :				
I	Revenue from operation	3,154	2,307	2,906	11,061
II	Other income	29	68	58	164
III	Total Revenue (I+II)	3,183	2,375	2,964	11,225
IV	Expenses :				
	a. Cost of materials consumed	1,342	940	1,242	4,655
	b. Purchase of stock-in-trade	12	-	8	19
	c. Changes in inventories of finished goods, Stock-in-trade and Work-in-progress	(193)	326	(172)	(31)
	d. Employee benefits expense	699	459	674	2,370
	e. Finance cost	62	66	69	246
	f. Depreciation and amortization expense	108	121	118	477
	g. Power & fuel	416	344	367	1,445
	h. Other expenses	644	635	545	2,221
	Total Expenses	3,090	2,891	2,851	11,402
V	Profit/ (Loss) before tax (III-IV)	93	(516)	113	(177)
VI	Tax Expense				
	1. Current Tax	-	(18)	31	-
	2. Deferred Tax	29	(153)	2	(105)
	3. Income Tax for earlier years	-	-	-	(1)
VII	Profit / (Loss) for the period from Continuing Operations (V-VI)	64	(345)	80	(71)
VIII	(Loss) / Profit from Discontinued Operation	(4)	(11)	56	53
IX	Tax Expense of Discontinued Operation	1	-	15	14
X	(Loss) / Profit from Discontinued Operations (VIII-IX) (after Tax)	(5)	(11)	41	39
XI	Profit/ (Loss) for the Period (VII+X)	59	(356)	121	(32)
XII	Other Comprehensive Income				
	A (I) Items that will not be re-classified to profit or loss				
	(i) Remeasurement of defined benefit plans	-	(66)	-	(66)
	(ii) Income tax thereon	-	-	-	-
XIII	Total Comprehensive Income for the Period (XI+XII)	59	(422)	121	(98)
	Paid-up Equity Share Capital (Face value per share ₹ 10/-)	901	901	901	901
	Other Equity (as per balance sheet)	-	-	-	8,687
XVI	Earning per Share				
	Basic & Diluted (Continuing Operations) (in ₹)	0.71*	(3.83)*	0.89*	(0.78)
	Basic & Diluted (Discontinued Operation) (in ₹)	(0.05)*	(0.12)*	0.45*	0.43
	Basic & Diluted (Continuing & Discontinued Operations) (in ₹)	0.66*	(3.95)*	1.34*	(0.35)
	* (Figure for the quarters are not annualized)				



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Segment wise Revenue, Results, Assets and Liabilities as on 30th June, 2019

('₹ In lakhs)

	Particulars	Quarter ended		Year Ended	
		30 th June, 2019 Unaudited	31 st March, 2019 *Refer Note (4)	30 th June, 2018 Unaudited	31 st March, 2019 Audited
1	Segment Revenue				
	(a) Fabric Division	2,056	1,957	1,840	6,759
	(b) Tea Division	1,098	350	1,066	4,302
	(c) Real Estate Division	-	-	-	-
	Less: Inter Segment Revenue				
	Revenue from Operations	3,154	2,307	2,906	11,061
2	Segment Results				
	(a) Fabric Division	(50)	(107)	15	(365)
	(b) Tea Division	244	(323)	199	541
	(c) Real Estate Division	-	-	-	-
	Total	194	(430)	214	176
	Less: (i) Finance Cost	62	66	69	246
	(ii) Other Un-allocable Expenditure	44	40	42	166
	(iii) Un-allocable (income)/Loss	(5)	(20)	(10)	(59)
	Total Profit /(Loss) Before Tax	93	(516)	113	(177)
3	Segment Assets				
	(a) Fabric Division	4,454	4,443	4,381	4,443
	(b) Tea Division	5,984	5,244	5,616	5,244
	(c) Real Estate Division	2,030	2,030	2,026	2,030
	(d) Unallocated	1,067	1,565	1,286	1,565
	Total Segment Assets	13,535	13,282	13,309	13,282
4	Segment Liabilities				
	(a) Fabric Division	2,552	2,642	2,462	2,642
	(b) Tea Division	1,571	1,291	1,351	1,291
	(c) Real Estate Division	38	39	51	39
	(d) Unallocated	13	13	17	13
	Total Segment Liabilities	4,174	3,985	3,881	3,985
5	Capital Employed (Segment Assets - Segment Liabilities)				
	(a) Fabric Division	1,902	1,801	1,919	1,801
	(b) Tea Division	4,413	3,953	4,265	3,953
	(c) Real Estate Division	1,992	1,991	1,975	1,991
	(d) Unallocated	1,054	1,552	1,269	1,552
	Total Capital Employed	9,361	9,297	9,428	9,297
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.					
6	Information related to Discontinued Operation				
	(a) Segment Revenue	-	-	-	-
	(b) Segment Results (Pre-tax)	(4)	53	56	53
	(c) Segment Assets	286	295	378	295
	(d) Segment Liabilities	-	4	-	4
	(e) Capital Employed	286	291	378	291

The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segment" (IND AS 108). The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker.



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 10th August, 2019. The Statutory Auditors have reviewed this result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.
- (2) The Company had closed the spinning section (Yarn Segment) at the Textile Unit of the Company situated at Asarwa Mills, Ahmedabad w.e.f 15th 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) Profit/(Loss) from Discontinued Operations includes :
 - (a) Loss from sale of machineries of ₹ 4 lakhs during the quarter ended June 30, 2019; (Quarter ended March 31, 2019 - ₹ Nil Lakh; Quarter ended June 2018 - profit of ₹ 56 Lakhs and ₹ 59 lakhs during the financial year ended March 31, 2019)
 - (b) Interest Income (Net) on VAT refund of ₹ Nil during the quarter ended June 30, 2019; (Quarter ended June 30, 2018 : ₹ Nil lakhs and Quarter & year ended March 31, 2019 - ₹ 5 lakhs)
 - (c) Term Loan prepayment charges of ₹ Nil lakhs during the quarter ended June 30, 2019 (Quarter ended June 30, 2018 : ₹ Nil lakhs and Quarter & year ended March 31, 2019 - ₹ 11 lakhs)
- (4) The figures for the quarter ended 31st March, 2019 are the balancing figures in respect to full financial year and unaudited published figures upto the third quarter of the financial year. Also the figures upto the third quarter had been reviewed and not subjected to audit.
- (5) Employee benefit expenses for the quarter ended June 30, 2019 includes arrear of dues and compensation paid as per Court Order of ₹ 41 lakhs (Quarter ended June 30, 2018 - ₹ Nil lakhs and Quarter & year ended March 31, 2019 - ₹ Nil lakhs)
- (6) The Company has adopted Ind AS 116 Leases which is mandatory for reporting period beginning on or after April 1, 2019. Adoption of this standard do not have any material impact on the financial results.
- (7) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter ended June 30, 2019.

For and on behalf of the Board of Directors



Adarsh Kanoria
Managing Director
(DIN: 00027290)

Place: Kolkata
Date: August 10, 2019



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Extract of Unaudited Financial Results for the Quarter ended 30th June, 2019

(₹ in lakhs except per share data and where otherwise stated)

	Particulars	Quarter ended			Financial Year ended
		30 th June 2019 Unaudited	31 st March, 2019 * Refer Note (3)	30 th June 2018 Unaudited	31 st March, 2019 Audited
1	Total Income from operations	3,154	2,307	2,906	11,061
2	Net Profit / (Loss) before tax from continuing Operations	93	(516)	113	(177)
3	Net Profit / (Loss) before tax from Discontinuing Operations	(4)	(11)	56	53
4	Net Profit / (Loss) after tax from Continuing Operations	64	(345)	80	(71)
5	Net Profit / (Loss) after tax from Discontinuing Operations	(5)	(11)	41	39
6	Total Comprehensive Income for the period [comprising Profit/ (Loss) for the period and other Comprehensive Income]	59	(422)	121	(98)
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)	-	-	-	8,687
9	Earnings Per Share (EPS)				
i.	Basic and Diluted EPS -Continuing Operations (of ₹ 10/- each) (in ₹)	0.71*	(3.83)*	0.89*	(0.78)
ii.	Basic and Diluted EPS -Discontinued Operation (of ₹10/- each) (in ₹)	(0.05)*	(0.12)*	0.45 *	0.43
i.	Basic and Diluted EPS -Continuing and Discontinued Operations (of ₹10/- each) (in ₹)	0.66 *	(3.95)*	1.34 *	(0.35)
	* (Figure for the quarters are not annualized)				

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 10th August, 2019.

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


3) The figures for the quarter ended 31st March, 2019 are the balancing figures in respect to full financial year and unaudited published figures upto the third quarters of the financial year. Also the figures upto the third quarter had been reviewed and not subjected to audit.

(4) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter ended 30th June, 2019.

Place : Kolkata

Date : August 10, 2019

For and on behalf of the Board of Directors


Adarsh Kanoria
Managing Director

