

Independent Auditor's Review Report on Review of Interim Financial Results

To the Board of Directors of
Bengal Tea & Fabrics Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Bengal Tea & Fabrics Limited** ("the Company") for the quarter and six months ended 30th September, 2019 ("the Statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that Statement of cash flows for the corresponding period from 1st April 2018 to 30th September 2018, as reported in these unaudited Financial Statement have been approved by the Board of directors but have not been subjected to review.
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'), SEBI Circular CIR/RFD/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 issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standards 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 audit to obtain moderate assurance as to whether the financial Statements are free of material misstatement. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We did not review total revenues of Rs. 3,386 Lakhs and Rs. Nil and total assets of Rs. 4,858 Lakhs and 2,029 Lakhs for the quarter and six months ended September 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. 86 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 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 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 of unaudited financial results 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 there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, 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. 302049E

(Aditya Singhi)

Partner

Membership No.: 305161

UDIN:

19305161AAAACR9749

Place: Kolkata

Date: November 09, 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 & Six Months ended 30th September, 2019

(₹ in lakhs)

	Particulars	Quarter ended			Half Year ended		Year ended
		30 th September, 2019 Unaudited	30 th June, 2019 Unaudited	30 th September 2018 Unaudited	30 th September 2019 Unaudited	30 th September 2018 Unaudited	31 st March, 2019 Audited
	Revenue :						
I	Revenue from operation	3,148	3,154	3,205	6,302	6,111	11,061
II	Other income	30	29	30	59	88	164
III	Total Revenue (I+II)	3,178	3,183	3,235	6,361	6,199	11,225
IV	Expenses :						
	a. Cost of materials consumed	1,344	1,342	1,390	2,686	2,632	4,655
	b. Purchase of stock-in-trade	13	12	-	25	8	19
	c. Changes in inventories of finished goods, Stock-in-trade and Work-in-progress	(678)	(193)	(336)	(871)	(508)	(31)
	d. Employee benefits expense	703	699	653	1,402	1,327	2,370
	e. Finance cost	61	62	57	123	126	246
	f. Depreciation and amortization expense	113	108	119	221	237	477
	g. Power & fuel	445	416	407	861	774	1,445
	h. Other expenses	635	644	616	1,279	1,161	2,221
	Total Expenses	2,636	3,090	2,906	5,726	5,757	11,402
V	Profit/ (Loss) before exceptional items & tax (III-IV)	542	93	329	635	442	(177)
VI	Exceptional items	-	-	-	-	-	-
VII	Profit/ (Loss) before tax (V-VI)	542	93	329	635	442	(177)
VIII	Tax Expense						
	1. Current Tax	109	19	40	128	102	-
	Less : MAT Credit Entitlement	(109)	(19)	(53)	(128)	(84)	-
	2. Deferred Tax	130	29	92	159	94	(105)
	3. Income Tax for earlier years	-	-	-	-	-	(1)
IX	Profit / (Loss) for the period from Continuing Operations (VII-VIII)	412	64	250	476	330	(71)
X	(Loss) / Profit from Discontinued Operation	19	(4)	8	15	64	53
XI	Tax Expense of Discontinued Operation	-	1	(2)	1	13	14
XII	(Loss) / Profit from Discontinued Operations (X-XI) (after Tax)	19	(5)	10	14	51	39
XIII	Profit/ (Loss) for the Period (IX+XII)	431	59	260	490	381	(32)
XIV	Other Comprehensive Income						
	A (I) Items that will not be re-classified to profit or loss						
	(i) Remeasurement of defined benefit plans	-	-	-	-	-	(66)
	(ii) Income tax thereon	-	-	-	-	-	-
XV	Total Comprehensive Income for the Period (XIII+XIV)	431	59	260	490	381	(98)
	Paid-up Equity Share Capital (Face value per share ₹ 10/-)	901	901	901	901	901	901
	Other Equity (as per balance sheet)						8,687
XVI	Earning per Share						
	Basic & Diluted (Continuing Operations) (in ₹)	4.57*	0.71*	2.77*	5.28*	3.66*	(0.78)
	Basic & Diluted (Discontinued Operation) (in ₹)	0.21*	(0.05)*	0.11*	0.16*	0.57*	0.43
	Basic & Diluted (Continuing & Discontinued Operations) (in ₹)	4.78*	0.66 *	2.88*	5.44*	4.23*	(0.35)
	* (Figure for the periods are not annualized)						



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

		Quarter ended			Half Year ended		(₹ in lakhs)
Particulars		30 th September, 2019 Unaudited	30 th June, 2019 Unaudited	30 th September, 2018 Unaudited	30 th September, 2019 Unaudited	30 th September, 2018 Unaudited	31 st March, 2019 Audited
1	Segment Revenue						
	(a) Fabric Division	1,330	2,056	1,625	3,386	3,465	6,759
	(b) Tea Division	1,818	1,098	1,580	2,916	2,646	4,302
	(c) Real Estate Division	-	-	-	-	-	-
	Less: Inter Segment Revenue						
	Revenue from Operations	3,148	3,154	3,205	6,302	6,111	11,061
2	Segment Results						
	(a) Fabric Division	(85)	(50)	(101)	(135)	(86)	(365)
	(b) Tea Division	726	244	517	970	716	541
	(c) Real Estate Division	-	-	-	-	-	-
	Total	641	194	416	835	630	176
	Less: (i) Finance Cost	61	62	57	123	126	246
	Less: (i) Other Un-allocable Expenditure	43	44	42	87	84	166
	(ii) Un-allocable (income)/Loss	(5)	(5)	(12)	(10)	(22)	(59)
	Total Profit/(Loss) Before Tax	542	93	329	635	442	(177)
3	Segment Assets						
	(a) Fabric Division	4,858	4,454	4,275	4,858	4,275	4,443
	(b) Tea Division	6,363	5,984	5,965	6,363	5,965	5,244
	(c) Real Estate Division	2,029	2,030	2,026	2,029	2,026	2,030
	(d) Unallocated	911	1,067	1,282	911	1,282	1,565
	Total Segment Assets	14,161	13,535	13,548	14,161	13,548	13,282
4	Segment Liabilities						
	(a) Fabric Division	2,670	2,552	2,412	2,670	2,412	2,642
	(b) Tea Division	1,404	1,571	1,271	1,404	1,271	1,291
	(c) Real Estate Division	42	38	42	42	42	39
	(d) Unallocated	53	13	38	53	38	13
	Total Segment Liabilities	4,169	4,174	3,763	4,169	3,763	3,985
5	Capital Employed						
	(Segment Assets - Segment Liabilities)						
	(a) Fabric Division	2,188	1,902	1,863	2,188	1,863	1,801
	(b) Tea Division	4,959	4,413	4,694	4,959	4,694	3,953
	(c) Real Estate Division	1,987	1,992	1,984	1,987	1,984	1,991
	(d) Unallocated	858	1,054	1,244	858	1,244	1,552
	Total Capital Employed	9,992	9,361	9,785	9,992	9,785	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)	19	(4)	8	15	64	53
	(c) Segment Assets	86	286	283	86	283	295
	(d) Segment Liabilities	-	-	-	-	-	4
	(e) Capital Employed	86	286	283	86	283	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.							



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(₹ in lakhs)

Statement of Assets & Liabilities as at 30th September, 2019

	Particulars	As at 30 th September, 2019	As at 31 st March, 2019
		Unaudited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, plant and equipment	6,804	6,780
	(b) Capital work-in-progress	102	89
	(c) Other Intangible assets	12	13
	(d) Intangible assets under development	1	1
	(e) Financial assets		
	(I) Other financial assets	62	36
	(f) Deferred tax assets (Net)	610	643
	(g) Other non-current assets	114	30
	Sub-total- Non-current assets	7,705	7,592
2	Current Assets		
	(a) Inventories	4,317	3,494
	(b) Biological assets other than bearer plants	25	16
	(c) Financial assets		
	(I) Investments	255	796
	(II) Trade receivables	989	916
	(III) Cash and cash equivalents	426	42
	(IV) Bank balances other than (iii) above	15	39
	(V) Loans	12	9
	(VI) Other financial assets	27	27
	(d) Current tax assets (Net)	-	81
	(e) Other current assets	390	270
		6,456	5,690
	Assets pertaining to Disposal Group	86	295
	Sub-total Current assets	6,542	5,985
	TOTAL ASSETS	14,247	13,577
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	901	901
	(b) Other Equity	9,177	8,687
		10,078	9,588
2	Liabilities		
	<u>Non-current liabilities</u>		
	(a) Financial Liabilities		
	(I) Borrowings	3	184
	(II) Other financial liabilities	5	5
	(b) Provisions	65	63
	(c) Other non-current liabilities	25	27
	Sub-total-Non-current liabilities	98	279
	<u>Current Liabilities</u>		
	(a) Financial Liabilities		
	(I) Borrowings	1,923	1,863
	(II) Trade payables		
	(i) Total Outstanding dues of micro enterprises & small enterprises ; and	21	21
	(ii) Total Outstanding dues of creditors other than micro enterprises & small enterprises	1,251	964
	(III) Other financial liabilities	565	494
	(b) Provisions	38	96
	(c) Other current liabilities	233	268
	(d) Current Tax Liabilities (Net)	40	-
		4,071	3,706
	Liabilities pertaining to Disposal Group	-	4
	Sub-total- Current Liabilities	4,071	3,710
	TOTAL EQUITY AND LIABILITIES	14,247	13,577



Statement of Cash Flows for the period ended 30th September 2019

(₹ in lakhs)

	Six months ended (Unaudited)						For the year ended (Audited)		
	30.09.2019			30.09.2018			31st March, 2019		
	Continuing Operations	Discontd. Operations	Total	Continuing Operations	Discontd. Operations	Total	Continuing Operations	Discontd. Operations	Total
A CASH FLOW FROM OPERATING ACTIVITIES									
Net Profit / (Loss) before tax and after exceptional items	635	15	650	442	64	506	(177)	53	(124)
Finance cost	123	-	123	126	-	126	245	10	255
Depreciation (including amortization & impairment)	221	-	221	237	-	237	476	-	476
Interest received	(2)	(25)	(27)	(4)	-	(4)	(6)	(8)	(14)
Rent received	-	-	-	-	-	-	(1)	-	(1)
Loss /(Profit) on Property, Plant and Equipment sold/discarded (Net)	-	4	4	-	(67)	(67)	14	(58)	(44)
Net (Gain) on sale of investments	(1)	-	(1)	(1)	-	(1)	(5)	-	(5)
Mark to Market (gain) on financial instruments under FVTPL	(8)	-	(8)	(21)	-	(21)	(52)	-	(52)
Operating Profit/ (Loss) before Working Capital Changes	968	(6)	962	779	(3)	776	494	(3)	491
ADJUSTMENT FOR :									
(Increase)/Decrease in trade receivables	(73)	-	(73)	(224)	-	(224)	(257)	3	(254)
Decrease in Non-current & current financial assets	(7)	-	(7)	(25)	-	(25)	14	8	22
(Increase) /Decrease in Non-current & current assets	(130)	209	79	(67)	96	29	(165)	67	(98)
(Increase) /Decrease in Inventories	(823)	-	(823)	(409)	-	(409)	(31)	-	(31)
Increase /(Decrease) in Trade Payables	287	-	287	85	-	85	285	-	285
Increase /(Decrease) in Non-current & current financial liabilities	41	-	41	157	-	157	(38)	-	(38)
Increase /(Decrease) in Non-current & current provisions	(55)	-	(55)	53	-	53	50	-	50
(Decrease) in Non-current & current liabilities	(37)	(4)	(41)	(167)	(14)	(181)	(103)	(10)	(113)
Cash Generated from Operations	171	199	370	182	79	261	249	65	314
Income Tax (Paid)/ received (Net)	(7)	-	(7)	8	-	8	(2)	-	(2)
Net Cash Flow from Operating Activities	164	199	363	190	79	269	247	65	312
B CASH FLOW FROM INVESTING ACTIVITIES									
Purchase of Property, Plant and Equipment	(350)	-	(350)	(68)	-	(68)	(244)	-	(244)
Sale of Property, Plant and Equipment	-	6	6	-	382	382	6	382	388
Purchase of Investments	-	-	-	(150)	-	(150)	(250)	-	(250)
Sale of Investments	550	-	550	204	-	204	254	-	254
Interest Received	4	25	29	4	-	4	7	8	15
Rent Received	-	-	-	-	-	-	1	-	1
Net Cash flow from Investing Activities	204	31	235	(10)	382	372	(226)	390	164
C CASH FLOW FROM FINANCING ACTIVITIES									
Increase / (Decrease) in Short Term Borrowings from Banks	59	-	59	168	-	168	304	-	304
Decrease in Long Term Borrowings	(150)	-	(150)	(533)	-	(533)	(553)	-	(553)
Finance Cost	(123)	-	(123)	(126)	-	(126)	(246)	(10)	(256)
Net Cash flow from Financing Activities	(214)	-	(214)	(491)	-	(491)	(495)	(10)	(505)
Net Increase / (Decrease) in Cash and Cash Equivalents	154	230	384	(311)	461	150	(474)	445	(29)
Cash and Cash Equivalents at the beginning of the year	42	-	42	71	-	71	71	-	71
Cash and Cash Equivalents at the end of the year	426	-	426	221	-	221	42	-	42

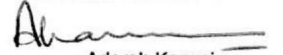


Notes:

- (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 9th November, 2019. The Statutory Auditors have reviewed this result as required under Regulation 33 read with Regulation 30 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 ₹ Nil lakh during the quarter ended and ₹ 4 Lakhs for the half year ended September 30, 2019 ; (Quarter ended June 30, 2019 - ₹ 4 Lakh; Quarter & half year ended September 2018 - profit of ₹ 59 Lakhs and ₹ 59 lakhs during the financial year ended March 31, 2019)
(b) Interest income on VAT refund (net of expenses) of ₹ 19 Lakhs for the quarter and half year ended September 30, 2019 (Quarter ended June 30, 2019 : ₹ Nil Lakhs and during the quarter & half year ended September 30, 2018 : Nil Lakhs & year ended March 31, 2019 - ₹ 5 lakhs)
(c) Term Loan prepayment charges of ₹ Nil lakhs during the quarter & half year ended September 30, 2019 (Quarter ended June 30, 2019 : ₹ Nil lakhs, for Quarter & half year ended September 30, 2018 : ₹ Nil Lakhs and for year ended March 31, 2019 - ₹ 11 lakhs)
- (4) Employee benefit expenses for the quarter & half year ended September 30, 2019 includes:
(a) ₹ 44 Lakhs towards provision for arrear payable to Staff and Sub-staffs of the Tea Garden as per agreement reached with the respective Trade Union; (for the quarter ended June 30, 2019, quarter and half year ended September 2018 and year ended March 31, 2019 : ₹ Nil Lakhs)
(b) includes arrear of dues and compensation paid as per Court Order of ₹ Nil & ₹ 41 Lakhs, respectively (Quarter ended June 30, 2019 - ₹ 41 Lakhs and Quarter & half year ended September 30, 2018 and for year ended March 31, 2019 - ₹ Nil lakhs) for Textile division.
- (5) 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.
- (6) Statement of Assets and Liabilities as at September 30, 2019 including Cash flow statement for the period ended September 30, 2019, including statements for the comparative periods are annexed.
- (7) The figures for the quarter ended 30th September are the balancing figures between the unaudited published figures for the quarter ended June and those of six months ended for the respective years.
- (8) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter and half year ended September 30, 2019.

Place: Kolkata
Date : November 9, 2019

For and on behalf of the Board of Directors


Adarsh Kanoria
Managing Director
(DIN: 00027290)



BENGAL TEA & FABRICS LIMITED

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Extract of Unaudited Financial Results for the Quarter and Half year ended 30th September, 2019

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

	Particulars	Quarter ended		Financial Year ended
		30 th September 2019 Unaudited	30 th September 2018 Unaudited	31 st March, 2019 Audited
1	Total Income from operations	3,148	3,205	11,061
2	Net Profit / (Loss) before tax from continuing Operations	542	329	(177)
3	Net Profit / (Loss) before tax from Discontinuing Operations	19	8	53
4	Net Profit / (Loss) after tax from Continuing Operations	412	250	(71)
5	Net Profit / (Loss) after tax from Discontinuing Operations	19	10	39
6	Total Comprehensive Income for the period [comprising Profit/ (Loss) for the period and other Comprehensive Income]	431	260	(98)
7	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	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 ₹)	4.57*	2.77*	(0.78)
ii.	Basic and Diluted EPS -Discontinued Operation (of ₹10/- each) (in ₹)	0.21*	0.11*	0.43
i.	Basic and Diluted EPS -Continuing and Discontinued Operations (of ₹10/- each) (in ₹)	4.78*	2.88*	(0.35)
	* (Figure for the periods are not annualized)			

Note:

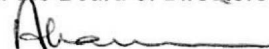
1) The above results were reviewed by the Audit Committee and thereafter taken on record by the Board of Directors at their meeting held on 9th November, 2019.

2) The above is an extract of the detailed format of Quarter and Half-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 30th September are the balancing figures in respect to period ended 30th September and unaudited published figures upto the 30th June of the current financial year. Also the figures for the half year ended had been reviewed.

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

For and on behalf of the Board of Directors



Adarsh Kanoria
Managing Director

Place: Kolkata

Date : November 9, 2019

