

**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 nine months ended 31<sup>st</sup> December, 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.
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. 4,896 Lakhs and Rs. Nil and total assets of Rs. 4,851 Lakhs and 2,029 Lakhs for the period ended December 31, 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

(Anurag Singhi)  
Partner

Membership No.066274  
UDIN: 20066274AAAAAI3261

Place: Kolkata  
Date: February 8, 2020

**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 & Nine months ended 31<sup>st</sup> December, 2019**

							(` in lakhs)
	Particulars	Quarter ended			Nine Months ended		Year ended
		31 <sup>st</sup> December 2019 Unaudited	30 <sup>th</sup> September, 2019 Unaudited	31 <sup>st</sup> December 2018 Unaudited	31 <sup>st</sup> December 2019 Unaudited	31 <sup>st</sup> December 2018 Unaudited	31 <sup>st</sup> March, 2019 Audited
	<b>Revenue :</b>						
I	Revenue from operation	2,834	3,148	2,654	9,136	8,765	11,061
II	Other income	25	30	8	84	96	164
III	<b>Total Revenue (I+II)</b>	<b>2,859</b>	<b>3,178</b>	<b>2,662</b>	<b>9,220</b>	<b>8,861</b>	<b>11,225</b>
IV	<b>Expenses :</b>						
	a. Cost of materials consumed	975	1,344	1,083	3,661	3,715	4,655
	b. Purchase of stock-in-trade	-	13	11	25	19	19
	c. Changes in inventories of finished goods, Stock-in-trade and Work-in-progress	288	(678)	151	(583)	(357)	(31)
	d. Employee benefits expense	602	703	584	2,004	1,911	2,370
	e. Finance cost	53	61	54	176	180	246
	f. Depreciation and amortization expense	118	113	119	339	356	477
	g. Power & fuel	355	445	327	1,216	1,101	1,445
	h. Other expenses	512	635	436	1,791	1,597	2,221
	<b>Total Expenses</b>	<b>2,903</b>	<b>2,636</b>	<b>2,765</b>	<b>8,629</b>	<b>8,522</b>	<b>11,402</b>
V	<b>Profit/ (Loss) before exceptional items &amp; tax (III-IV)</b>	<b>(44)</b>	<b>542</b>	<b>(103)</b>	<b>591</b>	<b>339</b>	<b>(177)</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit/ (Loss) before tax (V-VI)</b>	<b>(44)</b>	<b>542</b>	<b>(103)</b>	<b>591</b>	<b>339</b>	<b>(177)</b>
VIII	<b>Tax Expense</b>						
	1. Current Tax	(25)	109	(15)	103	87	-
	Less : MAT Credit Entitlement	25	(109)	15	(103)	(69)	-
	2. Deferred Tax	2	130	(46)	161	48	(105)
	3. Income Tax for earlier years	-	-	(1)	-	(1)	(1)
IX	<b>Profit / (Loss) for the period from Continuing Operations (VII-VIII)</b>	<b>(46)</b>	<b>412</b>	<b>(56)</b>	<b>430</b>	<b>274</b>	<b>(71)</b>
X	(Loss) / Profit from Discontinued Operation	-	19	-	15	64	53
XI	Tax Expense of Discontinued Operation	2	-	1	3	14	14
XII	(Loss) / Profit from Discontinued Operations (X-XI) (after Tax)	(2)	19	(1)	12	50	39
XIII	<b>Profit/ (Loss) for the Period (IX+XII)</b>	<b>(48)</b>	<b>431</b>	<b>(57)</b>	<b>442</b>	<b>324</b>	<b>(32)</b>
XIV	<b>Other Comprehensive Income</b>						
	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	<b>Total Comprehensive Income for the Period (XIII+XIV)</b>	<b>(48)</b>	<b>431</b>	<b>(57)</b>	<b>442</b>	<b>324</b>	<b>(98)</b>
	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	<b>Earning per Share</b>						
	Basic & Diluted (Continuing Operations) (in `)	(0.51)*	4.57*	(0.62)*	4.77*	3.04*	(0.78)
	Basic & Diluted (Discontinued Operation) (in `)	(0.02)*	0.21*	(0.01)*	0.13*	0.56*	0.43
	Basic & Diluted (Continuing & Discontinued Operations) (in `)	(0.53)*	4.78*	(0.63)*	4.90*	3.60*	(0.35)
	* (Figure for the periods are not annualized)						



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Segment wise Revenue, Results, Assets and Liabilities as at 31<sup>st</sup> December, 2019

(' in lakhs)

	Particulars	Quarter ended			Nine Months ended		Year Ended
		31 <sup>st</sup> December, 2019 Unaudited	30 <sup>th</sup> September, 2019 Unaudited	31 <sup>st</sup> December, 2018 Unaudited	31 <sup>st</sup> December, 2019 Unaudited	31 <sup>st</sup> December, 2018 Unaudited	31 <sup>st</sup> March, 2019 Audited
<b>1</b>	<b>Segment Revenue</b>						
	(a) Fabric Division	1,510	1,330	1,348	4,896	4,813	6,759
	(b) Tea Division	1,324	1,818	1,306	4,240	3,952	4,302
	(c) Real Estate Division	-	-	-	-	-	-
	<b>Less: Inter Segment Revenue</b>						
	<b>Revenue from Operations</b>	<b>2,834</b>	<b>3,148</b>	<b>2,654</b>	<b>9,136</b>	<b>8,765</b>	<b>11,061</b>
<b>2</b>	<b>Segment Results</b>						
	(a) Fabric Division	(115)	(85)	(172)	(250)	(258)	(365)
	(b) Tea Division	156	726	148	1,126	864	541
	(c) Real Estate Division	-	-	-	-	-	-
	<b>Total</b>	<b>41</b>	<b>641</b>	<b>(24)</b>	<b>876</b>	<b>606</b>	<b>176</b>
	Less: (i) Finance Cost	53	61	54	176	180	246
	Less: (i) Other Un-allocable Expenditure	39	43	42	126	126	166
	(ii) Un-allocable (income)/Loss	(7)	(5)	(17)	(17)	(39)	(59)
	<b>Total Profit/(Loss) Before Tax</b>	<b>(44)</b>	<b>542</b>	<b>(103)</b>	<b>591</b>	<b>339</b>	<b>(177)</b>
<b>3</b>	<b>Segment Assets</b>						
	(a) Fabric Division	4,851	4,858	4,371	4,851	4,371	4,443
	(b) Tea Division	5,624	6,363	5,501	5,624	5,501	5,244
	(c) Real Estate Division	2,029	2,029	2,026	2,029	2,026	2,030
	(d) Unallocated	1,141	911	1,435	1,141	1,435	1,565
	<b>Total Segment Assets</b>	<b>13,645</b>	<b>14,161</b>	<b>13,333</b>	<b>13,645</b>	<b>13,333</b>	<b>13,282</b>
<b>4</b>	<b>Segment Liabilities</b>						
	(a) Fabric Division	2,690	2,670	2,477	2,690	2,477	2,642
	(b) Tea Division	950	1,404	1,061	950	1,061	1,291
	(c) Real Estate Division	37	42	42	37	42	39
	(d) Unallocated	24	53	28	24	28	13
	<b>Total Segment Liabilities</b>	<b>3,701</b>	<b>4,169</b>	<b>3,608</b>	<b>3,701</b>	<b>3,608</b>	<b>3,985</b>
<b>5</b>	<b>Capital Employed</b>						
	(Segment Assets -Segment Liabilities)						
	(a) Fabric Division	2,161	2,188	1,894	2,161	1,894	1,801
	(b) Tea Division	4,674	4,959	4,440	4,674	4,440	3,953
	(c) Real Estate Division	1,992	1,987	1,984	1,992	1,984	1,991
	(d) Unallocated	1,117	858	1,407	1,117	1,407	1,552
	<b>Total Capital Employed</b>	<b>9,944</b>	<b>9,992</b>	<b>9,725</b>	<b>9,944</b>	<b>9,725</b>	<b>9,297</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>6</b>	<b>Information related to Discontinued Operation</b>						
	(a) Segment Revenue	-	-	-	-	-	-
	(b) Segment Results (Pre-tax)	-	19	-	15	64	53
	(c) Segment Assets	86	86	283	86	283	295
	(d) Segment Liabilities	-	-	-	-	-	4
	(e) Capital Employed	86	86	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.						



**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 8<sup>th</sup> February, 2020. 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 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) Profit/(Loss) from Discontinued Operations includes :
  - (a) Loss from sale of machineries of ` Nil lakh during the quarter ended and ` 4 Lakhs for the nine months ended December 31, 2019 ; (Quarter ended Sep 30, 2019 - ` Nil Lakh; Quarter & nine months ended December 2018 - profit of ` Nil & ` 59 Lakhs, respectively and ` 59 lakhs during the financial year ended March 31, 2019)
  - (b) Interest income on VAT refund (net of expenses) of ` Nil for the quarter ended December 31, 2019 & ` 19 Lakhs for nine months ended December 31, 2019 (Quarter ended September 30, 2019 : ` 19 Lakhs, ` Nil Lakhs during the quarter & ` 5 Lakhs during nine months ended December 31, 2018, and year ended March 31, 2019 - ` 5 lakhs)
  - (c) Term Loan prepayment charges of ` Nil lakhs during the quarter & nine months ended December 31, 2019 (Quarter ended September 30, 2019 : ` Nil lakhs, for Quarter & nine months ended December 31, 2018 : ` Nil Lakhs and for year ended March 31, 2019 - ` 11 lakhs)
- (4) Employee benefit expenses includes arrear of dues and compensation paid as per Court Order of ` Nil & ` 41 Lakhs respectively for the quarter and nine months ended December 31, 2019, (Quarter ended September 30, 2019 - ` Nil Lakhs, for quarter & nine months ended December 31, 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) The figures for the quarter ended 31<sup>st</sup> December are the balancing figures between the unaudited published figures for the half year ended September and those of nine months ended for the respective years.
- (7) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter and nine months ended December 31, 2019.

Place: Kolkata  
Date: February 8, 2020

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 and Nine months ended 31<sup>st</sup> December, 2019****(₹ in lakhs except per share data and where otherwise stated)**

	Particulars	Quarter ended		Nine Months ended
		31 <sup>st</sup> December, 2019	31 <sup>st</sup> December, 2018	31 <sup>st</sup> December 2019 Unaudited
1	Total Income from operations	2,834	2,654	9,136
2	Net Profit / (Loss) before tax from continuing Operations	(44)	(103)	591
3	Net Profit / (Loss) before tax from Discontinuing Operations	-	-	15
4	Net Profit / (Loss) after tax from Continuing Operations	(46)	(56)	430
5	Net Profit / (Loss) after tax from Discontinuing Operations	(2)	(1)	12
6	Total Comprehensive Income for the period [comprising Profit/ (Loss) for the period and other Comprehensive Income]	(48)	(57)	442
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)	-	-	-
9	<b>Earnings Per Share (EPS)</b>			
i.	Basic and Diluted EPS -Continuing Operations (of ₹ 10/- each) (in ₹)	(0.51)*	(0.62)*	4.77*
ii.	Basic and Diluted EPS -Discontinued Operation (of ₹10/- each) (in ₹)	(0.02)*	(0.01)*	0.13*
iii.	Basic and Diluted EPS -Continuing and Discontinued Operations (of ₹10/- each) (in ₹)	(0.53)*	(0.63)*	4.90*
	* (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 8<sup>th</sup> February, 2020.
- 2) The above is an extract of the detailed format of Quarter and nine months 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 31<sup>st</sup> December, 2019 are the balancing figures in respect to period ended 31<sup>st</sup> December 2019 and unaudited published figures upto the 30<sup>th</sup> September of the current financial year. Also the figures for the nine months 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 nine months ended 31<sup>st</sup> December, 2019.

Place: Kolkata  
Date: February 8, 2020

For and on behalf of the Board of Directors  
Adarsh Kanoria  
Managing Director  
(DIN- 00027290)

