

Limited review report on unaudited financial results for the quarter ended 30th June, 2020 of Bengal Tea & Fabrics Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

To
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 30th June, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
- 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, ("Ind AS 34") "Interim Financial Reporting", prescribed 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. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.
- 4) We did not review total revenues of Rs.170 Lakhs and Rs. NIL and total assets Rs. 4710 Lakhs and Rs. 2029 Lakhs for the quarter ended June 30, 2020 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. 90 Lakhs which is related to Company's discontinued operation (Spinning Division) (Refer Financial Results-Note No.2). Financial results of such divisions have been reviewed by the branch auditor and whose 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.
- 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 there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms Listing Regulations, 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
(Aditya Singhi)
Partner

Membership No.: 305161

UDIN: 20305161AAAABG9364

Place: Kolkata
Dated: 15th September, 2020

BENGAL TEA & FABRICS LIMITED

CIN : L51909WB1983PLC036542

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

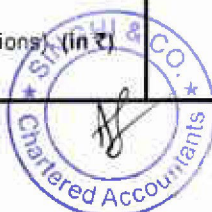
Compliance Officer's Email ID : investor@bengaltea.com

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

Statement of Unaudited Financial Results for the Quarter ended 30th June, 2020

(₹ in lakhs)

	Particulars	Quarter ended			Year ended
		30th June, 2020 Unaudited	31 st March, 2020 Audited * Refer Note (5)	30 th June, 2019 Unaudited	31 st March, 2020 Audited
	Revenue :				
I	Revenue from operation	797	1,899	3,154	11,035
II	Other income	24	32	29	116
III	Total Revenue (I+II)	821	1,931	3,183	11,151
IV	Expenses :				
	a. Cost of materials consumed	333	889	1,342	4,550
	b. Purchase of stock-in-trade	-	-	12	25
	c. Changes in inventories of finished goods, Stock-in-trade and Work-in-progress	(327)	156	(193)	(427)
	d. Employee benefits expense	476	599	699	2,603
	e. Finance cost	49	62	62	238
	f. Depreciation and amortization expense	94	121	108	460
	g. Power & fuel	135	269	416	1,485
	h. Other expenses	193	643	644	2,434
	Total Expenses	953	2,739	3,090	11,368
V	Profit/ (Loss) before exceptional items & tax (III-IV)	(132)	(808)	93	(217)
VI	Exceptional items	-	-	-	-
VII	Profit/ (Loss) before tax (V-VI)	(132)	(808)	93	(217)
VIII	Tax Expense				
	1. Current Tax	-	(103)	19	-
	Less : MAT Credit Entitlement	-	103	(19)	-
	2. Deferred Tax	(39)	(238)	29	(77)
IX	Profit / (Loss) for the period from Continuing Operations (VII-VIII)	(93)	(570)	64	(140)
X	(Loss) / Profit from Discontinued Operation	-	8	(4)	23
XI	Tax Expense of Discontinued Operation	-	14	1	17
XII	(Loss) / Profit from Discontinued Operations (X-XI) (after Tax)	-	(6)	(5)	6
XIII	Profit/ (Loss) for the Period (IX+XII)	(93)	(576)	59	(134)
XIV	Other Comprehensive Income				
	A (I) Items that will not be re-classified to profit or loss				
	(i) Remeasurement of defined benefit plans	-	(52)	-	(52)
	(II) Income tax thereon	-	-	-	-
XV	Total Comprehensive Income for the Period (XIII+XIV)	(93)	(628)	59	(186)
	Paid-up Equity Share Capital (Face value per share ₹ 10/-)	901	901	901	901
	Other Equity (as per balance sheet)				8,500
XVI	Earning per Share				
	Basic & Diluted (Continuing Operations) (in ₹)	(1.03)*	(6.33)	0.71*	(1.55)
	Basic & Diluted (Discontinued Operation) (in ₹)	-	(0.07)	(0.05)*	0.06
	Basic & Diluted (Continuing & Discontinued Operations) (in ₹)	(1.03)*	(6.40)	0.66*	(1.49)
	* (Figure for the periods are not annualized)				



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Segment wise Revenue, Results, Assets and Liabilities as at 30th June, 2020

		Quarter ended			Year Ended
Particulars		30 th June, 2020 Unaudited	31 st March, 2020 Audited *Refer Note (5)	30 th June, 2019 Unaudited	31 st March, 2020 Audited
1	Segment Revenue				
	(a) Textile Division	170	1,366	2,056	6,262
	(b) Tea Division	627	533	1,098	4,773
	(c) Real Estate Division	-	-	-	-
	Less: Inter Segment Revenue				
	Revenue from Operations	797	1,899	3,154	11,035
2	Segment Results				
	(a) Textile Division	(189)	(194)	(50)	(444)
	(b) Tea Division	136	(520)	244	606
	(c) Real Estate Division	-	-	-	-
	Total	(53)	(714)	194	162
	Less: (i) Finance Cost	49	62	62	238
	Less: (i) Other Un-allocable Expenditure	33	37	44	163
	(ii) Un-allocable (income)/Loss	(3)	(5)	(5)	(22)
	Total Profit/(Loss) Before Tax	(132)	(808)	93	(217)
3	Segment Assets				
	(a) Textile Division	4,710	4,919	4,454	4,919
	(b) Tea Division	5,726	5,410	5,984	5,410
	(c) Real Estate Division	2,029	2,029	2,030	2,029
	(d) Unallocated	1,068	1,076	1,067	1,076
	Total Segment Assets	13,533	13,434	13,535	13,434
4	Segment Liabilities				
	(a) Textile Division	2,623	2,638	2,552	2,638
	(b) Tea Division	1,649	1,442	1,571	1,442
	(c) Real Estate Division	27	27	38	27
	(d) Unallocated	13	13	13	13
	Total Segment Liabilities	4,312	4,120	4,174	4,120
5	Capital Employed				
	(Segment Assets - Segment Liabilities)				
	(a) Textile Division	2,087	2,281	1,902	2,281
	(b) Tea Division	4,077	3,968	4,413	3,968
	(c) Real Estate Division	2,002	2,002	1,992	2,002
	(d) Unallocated	1,055	1,063	1,054	1,063
	Total Capital Employed	9,221	9,314	9,361	9,314
Note : the segment information stated above does not include the following information relating to discontinued operation as stated in note 2(a) & 3 of the published results.					
6	Information related to Discontinued Operation				
	(a) Segment Revenue	-	-	-	-
	(b) Segment Results (Pre-tax)	-	8	(4)	23
	(c) Segment Assets	90	90	286	90
	(d) Segment Liabilities	2	2	-	2
	(e) Capital Employed	88	88	286	88
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 15th September, 2020. The Statutory Auditors have reviewed the result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.
- (2) (a) 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) Profit from sale of machineries of ₹ Nil during the quarter ended June 2020, ₹ 8 Lakhs for the quarter ended March 31, 2020, Loss of ₹ 4 lakh during quarter ended June 2019 and profit of ₹ 4 lakh during financial year ended March 31, 2020, respectively.
 - (b) Interest income on VAT refund (net of expenses) of ₹ Nil for the quarter ended June 2020, ₹ Nil during quarter ended March 31, 2020, ₹ Nil during quarter ended June 2019 & ₹ 19 Lakhs for the year ended March 31, 2020, respectively.
- (4) The Covid-19 pandemic and subsequent lockdowns has severely disrupted the economic activities with high uncertainty and intermittent lockdowns during the quarter ending June 30,2020. In line with the government directive the Company had temporarily shut down offices and factories leading to near halt of the business activities during the said periods impacting sales volume and profits for the quarter ended June 30, 2020. Consequently the results of this quarter are not comparable to previous corresponding period results. The Government of India has announced an unlock for the revival of the economy but business recovery continues to be unpredictable with intermittent location specific lock down in several parts of the country, thereafter until the date of this result. Therefore, restoration of normal business activities is dependent on the future state of the pandemic on the people and economy and government directives. The management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial results including but not limited to its assessment of Company's Liquidity and going concern, recoverable values of its property, plant & equipment, Intangible assets, inventories and the net realizable values of other assets.
- (5) The figures for the quarter ended 31st March, 2020 is 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.
- (6) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter ended June 30, 2020.

For and on behalf of the Board of Directors



Adarsh Kanoria
Managing Director
(DIN No. 00027290)

Place: Kolkata
Date: September 15, 2020



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Extract of Unaudited Financial Results for the Quarter ended 30th June, 2020

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

	Particulars	Quarter ended			Financial Year ended
		30 th June 2020 Unaudited	31 st March, 2020 Audited * Refer Note (4)	30 th June 2019 Unaudited	31 st March, 2020 Audited
1	Total Income from operations	797	1,899	3,154	11,035
2	Net Profit / (Loss) before tax from continuing Operations	(132)	(808)	93	(217)
3	Net Profit / (Loss) before tax from Discontinuing Operations	-	8	(4)	23
4	Net Profit / (Loss) after tax from Continuing Operations	(93)	(570)	64	(140)
5	Net Profit / (Loss) after tax from Discontinuing Operations	-	(6)	(5)	6
6	Total Comprehensive Income for the period [comprising Profit/(Loss) for the period and other Comprehensive Income]	(93)	(628)	59	(186)
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)	-	-	-	8500
9	Earnings Per Share (EPS)				
i.	Basic and Diluted EPS -Continuing Operations (of ₹ 10/- each) (in ₹)	(1.03)*	(6.33)	0.71*	(1.55)
ii.	Basic and Diluted EPS -Discontinued Operation (of ₹10/- each) (in ₹)	-*	(0.07)	(0.05)*	0.06
iii.	Basic and Diluted EPS -Continuing and Discontinued Operations (of ₹10/- each) (in ₹)	(1.03)*	(6.40)	0.66*	(1.49)
	* (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 15th September, 2020.


2) The above is an extract of the detailed format of Quarterly 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 Covid-19 pandemic and subsequent lockdowns has severely disrupted the economic activities with high uncertainty and intermittent lockdowns during the quarter ending June 30,2020. In line with the government directive the Company had temporarily shut down offices and factories leading to near halt of the business activities during the said periods impacting sales volume and profits for the quarter ended June 30, 2020. Consequently the results of this quarter are not comparable to previous corresponding period results. The Government of India has announced an unlock for the revival of the economy but business recovery continues to be unpredictable with intermittent location specific lock down in several parts of the country, thereafter until the date of this result. Therefore, restoration of normal business activities is dependent on the future state of the pandemic on the people and economy and government directives. The management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial results including but not limited to its assessment of Company's Liquidity and going concern, recoverable values of its property, plant & equipment, Intangible assets, inventories and the net realizable values of other assets.

4) The figures for the quarter ended 31st March, 2020 is 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) Previous quarter / period figures have been re-grouped / re-arranged wherever necessary, to confirm to the classification for the quarter ended 30th June, 2020.

For and on behalf of the Board of Directors



Place : Kolkata
Date : September 15, 2020

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