

# S. S. KOTHARI & CO.

CHARTERED ACCOUNTANTS

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## Review Report on the Unaudited Financial Results for the Quarter ended 30<sup>th</sup> June, 2016

To  
The Board of Directors  
Russell India Limited  
Jindal Towers, Block 'B', 4th Floor,  
21/1A/3, Darga Road,  
Kolkata – 700 017

Dear Sirs,

We have reviewed the accompanying statement of Unaudited Financial Results of **ROSSELL INDIA LIMITED** for the Quarter ended 30<sup>th</sup> June, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of interim financial information performed by the independent Auditors 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.

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 applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Kolkata  
Date : 3<sup>rd</sup> August, 2016



For S. S. Kothari & Co.,  
Chartered Accountants  
(Registration No. 302034E)

R. K. Roy Chaudhury  
Partner  
Membership No.8816

CIN: L01132WB1994PLC063513

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## ROSSELL INDIA LIMITED

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2016

Rs. in lakhs

	Quarter ended			Year ended 31.03.2016 (Audited)
	30.06.2016 (Unaudited)	31.03.2016 (Unaudited)	30.06.2015 (Unaudited)	
<b>PART I - STATEMENT OF FINANCIAL RESULTS</b>				
<b>1. Income from Operations</b>				
a) Sales/ Income from Operations	2,246	3,079	1,950	15,756
Less: Excise Duty	1	-	-	4
b) Net Sales/ Income from Operations	2,245	3,079	1,950	15,752
c) Other Operating Income	24	128	35	358
<b>Total Income from Operation (Net)</b>	<b>2,269</b>	<b>3,207</b>	<b>1,985</b>	<b>16,110</b>
<b>2. Expenses</b>				
a) Cost of materials consumed	368	202	180	925
b) Consumption of Green Leaf (Note 2)	54	5	15	95
c) Changes in inventories of finished goods, work-in-progress, and Stock-in-trade	(1,379)	911	(1,330)	(280)
d) Employee Benefits Expense	2,289	1,859	1,987	7,860
e) Consumption of Stores and Spares	339	169	303	910
f) Power and Fuel	249	169	247	1,056
g) Depreciation and Amortisation Expenses (Notes 4 b) and 4 (c))	199	255	231	953
h) Other expenses	793	856	671	3,221
<b>Total Expenses</b>	<b>2,912</b>	<b>4,426</b>	<b>2,304</b>	<b>14,740</b>
<b>3. Profit/ (Loss) from Operations before other Income, Finance Costs and Exceptional Items (1-2)</b>	<b>(643)</b>	<b>(1,219)</b>	<b>(319)</b>	<b>1,370</b>
4. Other Income	94	91	255	527
<b>5. Profit/ (Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)</b>	<b>(549)</b>	<b>(1,128)</b>	<b>(64)</b>	<b>1,897</b>
6. Finance Costs	163	119	116	497
7. Exchange Loss on Currency Swap Transactions (Note 3)	15	44	18	194



Rs. in lakhs

	Quarter ended			Year ended 31.03.2016 (Audited)
	30.06.2016 (Unaudited)	31.03.2016 (Unaudited)	30.06.2015 (Unaudited)	
8. Profit/ (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6-7)	(727)	(1,291)	(198)	1,206
9. Exceptional Item	-	-	-	-
10. Profit/ (Loss) from Ordinary Activities before Tax (8+9) { Note 4 (e)}	(727)	(1,291)	(198)	1,206
11. Tax Expenses				
- Current Tax	-	(260)	-	300
- This Year	-	100	-	100
- Earlier Years	-	(152)	-	(152)
- Deferred Tax	-	(979)	(198)	958
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	(727)	-	(198)	-
13. Extraordinary Items (net of tax expense)	-	(979)	(198)	958
14. Net Profit/(Loss) after Taxes (12-13)	(727)	(979)	(198)	958
15. Paid up Equity Share Capital (Face value -Rs.2 per Share)	734	734	734	734
16. Reserves (excluding Revaluation Reserve)				16,208
17. Earnings per Shares (Rs.)				
- Basic	(1.98)	(2.67)	(0.54)	2.61
- Diluted	(1.98)	(2.67)	(0.54)	2.61



**SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED**

Particulars	Quarter ended			Year ended 31.03.2016
	30.06.2016	31.03.2016	30.06.2015	
<b>1. Segment Revenue</b>				
A. Cultivation, Manufacture and Sale of Tea	1,335	2,071	1,188	12,125
B. Aviation Products and services	609	863	535	2,832
C. Hospitality	325	276	262	1,156
<b>Total</b>	<b>2,269</b>	<b>3,210</b>	<b>1,985</b>	<b>16,113</b>
Less: Inter-Segment Revenue	-	-	-	-
<b>Net Sales/ Income from Operations</b>	<b>2,269</b>	<b>3,210</b>	<b>1,985</b>	<b>16,113</b>
<b>2. Segment Results</b>				
A. Cultivation, Manufacture and Sale of Tea { Note 4 (e) }	(139)	(924)	(78)	2,072
B. Aviation Products and services	(186)	161	23	508
C. Hospitality	(306)	(381)	(238)	(1,066)
<b>Total</b>	<b>(631)</b>	<b>(1,144)</b>	<b>(293)</b>	<b>1,514</b>
Less: i. Interest	163	119	116	497
ii. Exchange Loss on Currency Swap Transactions	15	44	18	194
iii. Other un-allocable expenditure net of un-allocable income	(82)	(16)	(229)	(383)
<b>Profit/ (Loss) from Ordinary Activities Before Tax</b>	<b>(727)</b>	<b>(1,291)</b>	<b>(198)</b>	<b>1,206</b>
<b>3. Segment Assets</b>				
A. Cultivation, Manufacture and Sale of Tea {Note 4 (e)}	17,094	20,956	21,217	20,956
B. Aviation Products and services	5,207	4,559	2,802	4,559
C. Hospitality	1,361	1,304	1,276	1,304
D. Unallocated	4,094	4,996	5,235	4,996
<b>Total</b>	<b>27,756</b>	<b>31,815</b>	<b>30,530</b>	<b>31,815</b>
<b>4. Segment Liabilities</b>				
A. Cultivation, Manufacture and Sale of Tea	10,831	9,279	8,560	9,279
B. Aviation Products and services	569	494	545	494
C. Hospitality	83	51	84	51
D. Unallocated	58	206	491	206
<b>Total</b>	<b>11,541</b>	<b>10,030</b>	<b>9,680</b>	<b>10,030</b>



**Notes :**

1. Cultivation and manufacture of Tea being seasonal in nature, the above results are not indicative of the results for the full year.
2. Consumption of green leaf represents cost of green leaf purchased from other growers. The value of green leaf harvested from own Tea Estates is not readily ascertainable because of integrated operation from harvesting of green leaf to manufacture and marketing of Black Tea.
3. The Exchange Loss on Currency Swap Transactions represents a part of Mark-to-Market Losses on such Transactions provided in these accounts on pro-rata basis to ascertain the fair market value of the financial obligations on the reporting date, based on the period end exchange rate, net of provision made in respect thereof in earlier periods.
4. In accordance with revised Accounting Standard (AS) 10- Property, Plant and Equipment notified on 30th March, 2016, the following changes have been made in the Accounting Policies with effect from the present Reporting period:
  - a) As per Paragraph 91 of (AS) 10, the outstanding amount of Rs. 4,843.65 lakhs as on 1st April, 2016 of Revaluation Reserve, created in the Accounts as on 31st March, 2008 has been adjusted against the carrying amount of the corresponding items of Property, Plant and Equipment, as the Company opted to adopt the Cost Model as prescribed therein.
  - b) Having restated the Book Value of the Property, Plant and Equipment at Cost, depreciation for the period has been provided on Cost instead of revalued amount in accordance with Schedule II to the Companies Act, 2013. This has resulted in lower depreciation for the period amounting to Rs. 19.36 lakhs.
  - c) As per Paragraph 40 of (AS) 10, the Bearer Plants have been recognized as depreciable items of Property, Plant and Equipment with Book Value thereof, duly adjusted with revaluation amount, taken as Cost and being depreciated over the remaining useful life by taking the economic life of Bearer plants (Tea Bushes) as 70 years. This has resulted in higher depreciation for the period amounting to Rs. 6.56 lakhs.
  - d) In view of recognition of Bearer Plants, the expenses on Uprooting, Replanting and Upkeep of Young Tea amounting to Rs. 76.99 lakhs have been treated as Capital Expenditure - Bearer Plants in Progress as against Expense for the period considered so far.
  - e) As the consequence of the above changes, the Loss and Segment Result of Business Segment - Cultivation, Manufacture and sale of Tea for the period are lower by Rs.37.54 lakhs (net of the effect on the valuation of Closing Stock, being lower by Rs. 52.26 lakhs) and the Segment Assets for business segment - Cultivation, manufacture and Sale of Tea are lower by Rs. 4,806.11 lakhs.
5. The above results, duly reviewed by the Audit Committee at its Meeting held on 3rd August 2016 and were approved at the Meeting of the Board of Directors of the Company held on 3rd August, 2016. The Statutory Auditors have carried out the Limited Review of these results.

**For Bessell India Limited**

  
**Harsh M. Gupta**  
Executive Chairman

Place : Kolkata  
Date : 3rd August 2016

