



McLEOD RUSSEL
Believe in tea

14 February 2022

The Secretary
BSE Limited PJ. Towers,
25th Floor, Dalal Street,
MUMBAI-400001
Scrip Code: 532654

The Secretary
National Stock Exchange of
India Ltd,
Listing dept. Exchange Plaza,
5th Fl. Plot No. C/1,
G- Block, Bandra-Kurla
Complex, Bandra (E) MUMBAI-
400051
Scrip Code: MCLEODRUSS

The Secretary
The Calcutta Stock Exchange
Limited
7, Lyons Range
KOLKATA-700001
Scrip Code: 10023930

Dear Sirs,

Sub: Outcome of Meeting of the Board of Directors held on 14th February 2022

This is to inform you that the Board at its Meeting held today i.e., the 14th November 2022 have inter-alia, pursuant to Regulation 30 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended 31st December, 2021 along with "Limited Review Report" submitted by M/s. Lodha & Co, Chartered Accountants, Statutory Auditors of the Company, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015. A copy of the same is enclosed herewith.

Time of Commencement of Meeting: 04:15 P.M.

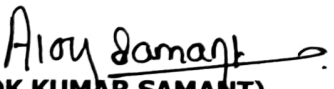
Time of Conclusion of Meeting: 05:30 P.M.

This is for your information and records.

Thanking you,

Yours faithfully,

For McLEOD RUSSEL INDIA LIMITED


(ALOK KUMAR SAMANT)
COMPANY SECRETARY



Encl: As above

Registered Office :

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN) : L51109WB1998PLC087076

FOUR MANGO LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001

TELEPHONE : 033-2210-1221, 2248-9434 / 35, FAX : 91-33-2248-8114 / 6265

E-mail : administrator@mcleodrussel.com Website : www.mcleodrussel.com



A Williamson Magor Group Enterprise

**Independent Auditors' Review Report
The Board of Directors
McLeod Russel India Limited**

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of **McLeod Russel India Limited** ("the Company") for the Quarter and nine months ended on December 31, 2021 ('the Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS - 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 Standard on Review Engagement (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 the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing 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. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 5 below:
 - a) Note no. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,82,120 lakhs as on December 31, 2021 (including Interest of Rs. 1,934 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. In absence of provision there against, loss for quarter is understated and profit for the nine months is overstated to that extent. Impact in this respect have not been ascertained by the management and recognised in the Statement.
 - b) The Company had given advance to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on December 31, 2021. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
 - c) Note No. 7(b) regarding non-recognition of Interest of Rs. 6,749 lakhs (including Rs. 2,134 Lakhs for the period) on Inter Corporate Deposits taken by the company. Further, as stated in Note no. 7(a) and 8, penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us.



- d) Note no 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon dealt with in Note no. 7 and 8. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- e) As stated in Note no. 6, the predecessor auditor in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the company. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the company are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.
5. Based on our review conducted as above, we report that because of the significance of the matters stated in Para 4 above including those relating to Inter-Corporate Deposits which as stated in Para 4(a) have been considered doubtful of recovery, together with the consequential impact of these matters on the unaudited financial results for the period which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India and has not disclosed fairly the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.
6. Attention is drawn to Note no. 5 of the Statement dealing with going concern assumption for preparation of the unaudited financial results of the Company. The Company's current liabilities exceeded its current assets. The matters forming part of and dealt with under Para 5 above may have significant impact on the net worth of the company. Loans given to promoter group and certain other companies have remained unpaid. This has resulted in insufficiency of company's resources for meeting its obligations. Amount borrowed and interest thereupon could not be repaid as stipulated and other obligations could not be met as well due to insufficiency of resources. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the unaudited financial results of the Company due to the reasons stated in the said Note has been prepared by management on going concern basis, based on the management's assessment of the expected successful outcome of the steps and measures including those concerning restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and restructuring of outstanding loans receivables in sync with said plan and other proposals under evaluation as on this date. The ability to continue as a going concern is dependent upon formulation and approval of the resolution and in the event of the management's expectation in this respect and estimation etc., not turning out to be true, validity of assumption for going concern and possible impact thereof including on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No. 301051E



Place: Kolkata
Date: February 14, 2022

R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN: 22052438ACAPCH2531

McLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Kolkata - 700001

Web : www.mcleodrussel.com, Email id : administrator@mcleodrussel.com, Phone no: 033-2210-1221, Fax no.: 033-2248-3683

CIN: L51109WB1998PLC087076

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021
(Rs. in Lakhs except for EPS)

Particulars	Standalone					
	Quarter ended			Nine Months ended		Financial Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from Operations	33,859	42,248	36,495	91,416	88,462	1,11,187
2 Other Income	283	39	16	372	298	848
Total Income (1 + 2)	34,142	42,287	36,511	91,788	88,760	1,12,035
3 Expenses						
a) Cost of Materials Consumed	3,323	3,360	3,170	12,538	8,911	10,335
b) Changes in Inventories of Finished Goods	3,585	(6,337)	5,209	(15,779)	(16,181)	(818)
c) Employee Benefits Expense	14,470	16,627	11,428	45,636	42,770	53,114
d) Finance Costs	4,338	3,627	4,926	12,122	15,337	18,720
e) Depreciation and Amortisation Expenses	1,348	1,323	1,379	4,049	5,354	7,075
f) Other Expenses	11,134	10,421	9,991	29,742	24,794	32,029
Total Expenses	38,198	29,021	36,103	88,308	80,985	1,20,455
4. Profit/(Loss) before Tax (1+2-3)	(4,056)	13,266	408	3,480	7,775	(8,420)
5. Tax Expense						
a) Current Tax	-	-	317	-	374	-
b) Tax relating to earlier years (net)	-	-	-	-	-	1,778
c) Deferred Tax	(572)	341	(9)	(189)	404	(4,915)
Total Tax Expense	(572)	341	308	(189)	778	(3,137)
6 Profit/(Loss) for the period (4-5)	(3,484)	12,925	100	3,669	6,997	(5,283)
7 Other Comprehensive Income						
i) Items that will not be reclassified to profit or loss						
a) Remeasurements of post-employment defined benefit plans	(564)	(564)	(702)	(1,692)	(2,105)	(1,765)
b) Change in Fair Value of Equity instruments through other comprehensive income	(1,584)	1,382	1,178	258	2,791	4,221
ii) Income Tax relating to items that will not be reclassified to profit or loss	180	181	224	541	673	565
Total Other Comprehensive Income/(Loss)	(1,968)	999	700	(893)	1,359	3,021
8 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (6+7)	(5,452)	13,924	800	2,776	8,356	(2,262)
9 Earnings per Equity Share (EPS) (Rs.) (not annualised)						
Basic and Diluted	(3.34)	12.38	0.10	3.51	6.70	(5.06)
10 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
11 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,28,136



Notes to Standalone Un-audited Financial Results for the Quarter and nine months ended December 31, 2021

1. The above Standalone unaudited financial result (hereinafter referred to as "Financial Results") attached herewith have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These financial results have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on February 14, 2022 and have been subject to Limited Review by the Statutory Auditors.
2. (a) Cost of materials consumed represents green leaf purchased from external sources.

(b) The Company is primarily engaged in the business of cultivation, manufacture and sale of tea across various geographical locations. In term of Ind AS 108 "Operating Segment", the Company has one business segment i.e. Manufacturing and Selling of Tea.

(c) As the Company is engaged in the business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and nine months ended December 31, 2021 should not be construed as indicative of possible result for year ending March 31, 2022.
3. Remuneration to the extent of Rs. 832 lakhs (including Rs. 391 lakhs for the period and net of recovery thereagainst) has been paid to Managing Director and Wholetime Director for the period from April 01, 2020 to December 31, 2021 as decided in by the Shareholders vide their special resolution in the Annual General Meeting (AGM) dated December 30, 2020. The company prior to the AGM as required in terms of Schedule V of the Companies Act, 2013 had made application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances pending recovery/adjustment in due course of time.
4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,80,186 Lakhs as at December 31, 2021 (March 31, 2021: Rs. 2,82,396 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on December 31, 2021 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. Steps are being taken to restructure the borrowings and related financial obligations of the company and necessary resolution plan as stated in Note no. 5 below in this respect has been under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage.
5. Overall performance of the company over the period even though has improved, the Company's financial position is continued to be under stress. The Inter-Corporate Deposits (ICDs) given to various group and other companies to provide them funds for strategic reasons for meeting their various obligations along with interest to the extent applicable are outstanding as on this date. These have resulted in mismatch of company's resources vis-à-vis it's commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.



The CIRP proceeding initiated against the company as stated in Note no. 8 below has been withdrawn. Following this, the lenders (bankers) reinitiated the Resolution process of the company in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been signed by all the lenders (bankers). The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders had been completed earlier and finding on utilisation of funds borrowed had been accepted by them. Techno Economic Viability (TEV) study carried out earlier have been re-vetted and confirmed. Valuation of tea estates and other assets are currently in process and will be completed in due course of time. The lenders have formed a committee for appointment of Credit Rating Agency for assessing the possible credit rating of the company. The draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation concerning resolution plan has been modified in terms of Inter-Creditor Agreement (ICA) and the same will be placed before the bankers for necessary approval etc., after obtaining the final valuation of the assets and credit rating of the company.

The management is confident that with the bankers support in restructuring their debt to a sustainable level and rationalisation of cost of borrowing and other costs, induction of additional fund in the system etc. and other ameliorative measures taken and/or proposed to be taken and restructuring/reducing the outstanding amount of loan receivable in line with resolution plan, the company will be able to generate sufficient cashflow to meet it's obligations and strengthen it's financial position over a period of time. Considering that these measures are under implementation and/or under active consideration for arriving at a resolution plan and approving thereof in due course of time, these financial results have been prepared on going concern basis.

6. The predecessor auditors' had issued an adverse opinion on the audited financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,80,186 Lakhs given to various parties as given in Note no. 4 are outstanding as on December 31, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities. Information required by the authorities had been provided and final outcome and/or directions if any are awaited as on this date.
7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the financial results.
- (b) Interest on Inter Corporate Deposits taken by the company has not been recognised to the extent of Rs. 6,749 Lakhs (including Rs. 2,134 Lakhs for the period) pending final settlement/finalisation of resolution plan.



8. The proceedings initiated under "Insolvency and Bankruptcy Code, 2016" (IBC) pursuant to a petition filed by a corporate lender was closed following a settlement arrived at with a corporate lender in the previous quarter. Rs. 6,500 lakhs (Including Rs. 1,500 lakhs during the quarter) has been paid to said corporate lender by certain parties on behalf of the company and the balance borrowings amounting to Rs. 3,500 lakhs has been considered outstanding as on December 31, 2021. Adjustments/ Impact if any in this respect including with respect to the amount of Interest included in 7(b) above will be given effect to on final payment and ascertainment of amount thereof.
9. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 7 and 8 above, clearing accounts other than Inter-Unit balances, receivables/ Payables, advances from customers, loans (other than as dealt with in Note no. 4 above) and advances, other current assets and certain other liabilities are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.
10. The observations concerning Auditors' Opinion on the standalone financial statements for the year ended March 31, 2021 and conclusion on the unaudited financial results for the quarter and six months ended September 30, 2021 have been dealt with under Para 5 to 9 above. These are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent period.

For McLeod Russel India Limited

Place: Kolkata
Dated: February 14, 2022


(Aditya Khaitan)
Managing Director
(DIN No: 00023788)



**Independent Auditors' Review Report
The Board of Directors
McLeod Russel India Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **McLeod Russel India Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2021 ("the Statement"), being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 read with relevant rules issued thereunder 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 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing 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 have also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.
5. The Statement includes the results of the following Subsidiaries (including step down subsidiaries):
 - a) Borelli Tea Holdings Limited
 - b) McLeod Russel Uganda Limited
 - c) Phu Ben Tea Company Limited
 - d) McLeod Russel Africa Limited
 - e) McLeod Russel Middle East DMCC
6. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 7 below:
 - a) Note no. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,82,120 lakhs as on December 31, 2021 (including Interest of Rs. 1,934 lakhs accrued till March 31, 2019) given to certain companies by the Parent which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the Group. In absence of provision there against, loss for quarter is understated and profit for the nine months is overstated to that extent. Impact in this respect have not been ascertained by the management and recognised in the Statement.



- b) The Parent had given advance to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on December 31, 2021. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
- c) Note No. 7(b) regarding non-recognition of Interest of Rs. 6,749 lakhs (including Rs. 2,134 Lakhs for the period) on Inter Corporate Deposits taken by the Parent. Further, as stated in Note no. 7(a) and 8, penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us.
- d) Note no 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon dealt with in Note no. 7 and 8. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- e) As stated in Note no. 6, the predecessor auditor in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the Group. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the Group are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.
7. Based on our review conducted as above, we report that because of the significance of the matters stated in Para 6 above including those relating to Inter-Corporate Deposits which as stated in Para 6(a) have been considered doubtful of recovery, together with the consequential impact of these matters on the consolidated unaudited financial results for the period which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India and has not disclosed fairly the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.
8. Attention is drawn to Note no. 5 of the Statement dealing with going concern assumption for preparation of the consolidated unaudited financial results of the Group. The Parent's current liabilities exceeded its current assets. The matters forming part of and dealt with under Para 7 above may have significant impact on the net worth of the Parent. Loans given to promoter group and certain other companies have remained unpaid. This has resulted in insufficiency of Parent's resources for meeting its obligations. Amount borrowed and interest thereupon could not be repaid as stipulated and other obligations could not be met as well due to insufficiency of resources. These conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern. However, the consolidated unaudited financial results of the Group due to the reasons stated in the said Note has been prepared by management on going concern basis, based on the Parent's management assessment of the expected successful outcome of the steps and measures including those concerning, restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and restructuring of outstanding loans receivables in sync with said plan and other proposals under evaluation as on this date. The ability to continue as a going concern is dependent upon formulation and approval of the resolution and in the event of the management's expectation in this respect and estimation etc., not turning out to be true, validity of



assumption for going concern and possible impact thereof including on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.

9. We did not review the unaudited consolidated financial statement of Subsidiaries (including four stepdown subsidiaries) whose consolidated unaudited financial statements reflect total assets of Rs. 44,054 Lakhs as at December 31, 2021, total revenues of Rs. 5,232 lakhs and Rs. 20,331 lakhs, total net profit/(loss) after tax of (Rs. 874 lakhs) and (Rs. 2,468 lakhs) and total comprehensive income of (Rs. 1,119 lakhs) and (Rs. 2,713 lakhs) for the quarter and nine months ended December 31, 2021 respectively as considered in the consolidated unaudited financial results. These consolidated financial statements have been reviewed by the auditor of Borelli Tea Holdings Limited (Step one subsidiary) whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
10. Our conclusion on the Statement is not modified in respect of the matters stated in Para (8) and (9) above.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No. 301051E

Place: Kolkata
Date: February 14, 2022



R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN: 22052438ACAQJH4848

MCLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Kolkata - 700001

Web : www.mcleodrussel.com, Email id : administrator@mcleodrussel.com, Phone no: 033-2210-1221, Fax no. : 033-2248-3683

CIN: L51109WB1998PLC087076

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021
(Rs. in Lakhs except for EPS)

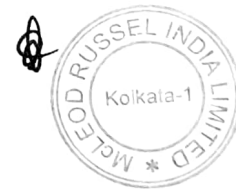
Particulars	Consolidated					
	Quarter ended			Nine Months ended		Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1 Revenue from Operations	38,875	49,386	44,754	1,10,159	1,13,981	1,43,844
2 Other Income	499	300	94	1,070	744	1,999
Total Income (1 + 2)	39,374	49,686	44,848	1,11,229	1,14,725	1,45,843
3 Expenses						
a) Cost of Materials Consumed	4,848	4,977	5,381	16,685	13,737	17,441
b) Purchase of Tea	(74)	974	802	1,276	3,861	3,624
c) Changes in Inventories of Finished Goods	4,110	(6,337)	5,659	(13,353)	(13,766)	160
d) Employee Benefits Expense	15,993	18,350	13,103	50,283	47,506	59,692
e) Finance Costs	4,596	3,911	5,274	13,071	16,731	20,451
f) Depreciation and Amortisation Expenses	1,938	1,877	1,956	5,529	6,741	9,038
g) Other Expenses	12,923	13,296	12,171	36,888	32,711	43,409
Total Expenses	44,334	37,048	44,346	1,10,379	1,07,521	1,53,815
4 Profit/(Loss) before share of profit/(loss) of Associate and Tax (1+2-3)	(4,960)	12,638	502	850	7,204	(7,972)
5 Share of Profit/(Loss) of Associate	-	-	-	-	-	-
6 Profit/(Loss) before Tax (4+5)	(4,960)	12,638	502	850	7,204	(7,972)
7 Tax Expense						
a) Current Tax	(87)	33	408	(162)	552	161
b) Tax relating to earlier years (net)	-	-	-	-	-	1,778
c) Deferred Tax	(515)	343	(10)	(189)	404	(4,672)
	(602)	376	398	(351)	956	(2,733)
8 Profit/(Loss) for the period (6-7)	(4,358)	12,262	104	1,201	6,248	(5,239)
9 Other Comprehensive Income						
A i) Items that will not be reclassified to profit or loss						
a) Remeasurements of post-employment defined benefit plans	(564)	(564)	(702)	(1,692)	(2,105)	(1,926)
b) Change in Fair Value of Equity instruments through other comprehensive income	(1,584)	1,382	1,178	258	2,791	4,221
ii) Income Tax relating to items that will not be reclassified to profit or loss	180	180	224	541	673	613
B i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
a) Exchange differences on translation of foreign operations	101	(144)	(598)	365	(1,157)	(784)
Total Other Comprehensive Income/(Loss)	(1,867)	854	102	(528)	202	2,124
10 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (8+9)	(6,225)	13,116	206	673	6,450	(3,115)
11 Profit/(Loss) for the period attributable to :						
Owners' of the Parent Company	(4,358)	12,262	104	1,201	6,248	(5,239)
Non-controlling interests	-	-	-	-	-	-
12 Other Comprehensive Income/(Loss) for the period attributable to :						
Owners' of the Parent Company	(1,867)	854	102	(528)	202	2,124
Non-controlling interests	-	-	-	-	-	-
13 Total Comprehensive Income for the period attributable to :						
Owners' of the Parent Company	(6,225)	13,116	206	673	6,450	(3,115)
Non-controlling interests	-	-	-	-	-	-
14 Earnings per Equity Share (EPS) (Rs.) (not annualised)						
Basic and Diluted	(4.17)	11.74	0.10	1.15	5.98	(5.02)
15 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
16 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,48,560



(Handwritten signature)



(Rs. in Lakhs)						
Segment Information:						
Particulars	Consolidated					Financial Year ended March 31, 2021 (Audited)
	Quarter ended			Nine Months ended		
	December 31, 2021 (Unaudited)	September 30, 2021 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)	
Segment Revenue:						
India	33,857	42,048	36,461	90,524	88,391	1,11,018
Vietnam	758	2,000	1,986	4,205	5,527	7,737
Uganda	3,950	4,511	5,283	13,547	15,440	20,488
UK	(4)	(18)	(16)	198	243	238
Others	314	845	1,040	1,685	4,380	4,363
Total	38,875	49,386	44,754	1,10,159	1,13,981	1,43,844
Segment Result (Including Other Income):						
India	(4,007)	13,201	408	2,960	7,777	(7,775)
Vietnam	(794)	(470)	(417)	(1,513)	(1,020)	(1,351)
Uganda	(434)	(6)	377	(653)	169	1,008
UK	298	(57)	107	100	256	65
Others	(23)	(30)	27	(44)	22	81
Profit/(Loss) before Share of Profit and Tax	(4,960)	12,638	502	850	7,204	(7,972)
Share of Profit of Associate	-	-	-	-	-	-
Profit/(Loss) before Taxation	(4,960)	12,638	502	850	7,204	(7,972)
Less Taxation :						
Current tax	(87)	33	408	(162)	552	161
Income tax relating to earlier years (net)	-	-	-	-	-	1,778
Deferred tax	(515)	343	(10)	(189)	404	(4,672)
	(602)	376	398	(351)	956	(2,733)
Profit/(Loss) after taxation	(4,358)	12,262	104	1,201	6,248	(5,239)
Depreciation and amortisation relating to segments:						
India	1,347	1,322	1,379	4,048	5,354	7,075
Vietnam	251	172	263	452	466	568
Uganda	324	366	299	981	876	1,336
UK	15	15	14	45	42	56
Others	1	2	1	3	3	3
Total	1,938	1,877	1,956	5,529	6,741	9,038
Segment Assets						
India	4,55,240	4,62,367	4,73,457	4,55,240	4,73,457	4,43,626
Vietnam	11,478	11,775	13,214	11,478	13,214	13,246
Uganda	27,911	28,795	28,021	27,911	28,021	27,660
UK	3,249	4,180	4,407	3,249	4,407	4,502
Others	1,169	1,261	1,581	1,169	1,581	1,534
Total	4,99,047	5,08,378	5,20,680	4,99,047	5,20,680	4,90,568
Segment Liabilities						
India	2,89,608	2,91,284	2,99,664	2,89,608	2,99,664	2,80,344
Vietnam	5,664	5,276	5,470	5,664	5,470	6,023
Uganda	20,555	21,967	21,866	20,555	21,866	21,258
UK	122	476	444	122	444	477
Others	99	150	140	99	140	140
Total	3,16,048	3,19,153	3,27,584	3,16,048	3,27,584	3,08,242



Notes to Consolidated Un-audited Financial Results for the Quarter and nine months ended December 31, 2021

1. (a) The above consolidated unaudited financial result of McLeod Russel India Limited ('the Parent') and its subsidiaries (together referred to as the 'Group') (hereinafter referred to as "Consolidated Financial Results") attached herewith have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These Consolidated Financial Results have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on February 14, 2022 and have been subject to Limited Review by the Statutory Auditors.

(b) The consolidated financial results for the quarter and nine months ended December 31, 2021 include the figures of the Parent together with its subsidiary, Borelli Tea Holding Limited (UK) (Step one subsidiary) and step-down subsidiaries i.e. Phuben Tea Company Limited (Vietnam), McLeod Russel Uganda Limited (Uganda), McLeod Russel Africa Limited (Kenya) and McLeod Russel Middle East DMCC (Dubai)
2. (a) Cost of materials consumed represents green leaf purchased from external sources.

(b) Segments have been identified in line with the Ind AS 108- Operating Segments, taking into account the different political and economic environment, risks and returns. The Group, being engaged in manufacture and selling of Tea, the operating segment have been considered on the basis of various geographical locations and accordingly India, Vietnam, Uganda, UK and others have been considered to be reportable segment.

(c) As the Group is engaged in the business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and nine months ended December 31, 2021 should not be construed as indicative of possible result for year ending March 31, 2022.
3. Remuneration to the extent of Rs. 832 lakhs (including Rs. 391 lakhs for the period and net of recovery thereagainst) has been paid to Managing Director and Wholetime Director for the period from April 01, 2020 to December 31, 2021 as decided in by the Shareholders vide their special resolution in the Annual General Meeting (AGM) dated December 30, 2020. The Parent prior to the AGM as required in terms of Schedule V of the Companies Act, 2013 had made application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances pending recovery/adjustment in due course of time.
4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies by the Parent, the amount outstanding aggregates to Rs. 2,80,186 Lakhs as at December 31, 2021 (March 31, 2021: Rs. 2,82,396 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on December 31, 2021 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. Steps are being taken to restructure the borrowings and related financial obligations of the parent and necessary resolution plan as stated in Note no. 5 below in this respect has been under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage.



5. Overall performance of the Parent even though has improved, the Parent's financial position is continued to be under stress. The Inter-Corporate Deposits (ICDs) given to various group and other companies to provide them funds for strategic reasons for meeting their various obligations along with interest to the extent applicable are outstanding as on this date. These have resulted in mismatch of Parent's resources vis-à-vis its commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

The CIRP proceeding initiated against the Parent as stated in Note no. 8 below has been withdrawn. Following this, the lenders (bankers) reinitiated the Resolution process of the Parent in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been signed by all the lenders (bankers). The forensic audit for utilisation of funds borrowed in the past, conducted on behalf of lenders had been completed earlier and finding on utilisation of funds borrowed had been accepted by them. Techno Economic Viability (TEV) study carried out earlier have been re-verified and confirmed. Valuation of tea estates and other assets are currently in process and will be completed in due course of time. The lenders have formed a committee for appointment of Credit Rating Agency for assessing the possible credit rating of the Parent. The draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation concerning resolution plan has been modified in terms of Inter-Creditor Agreement (ICA) and the same will be placed before the bankers for necessary approval etc., after obtaining the final valuation of the assets and credit rating of the Parent.

The Parent's management is confident that with the bankers support in restructuring their debt to a sustainable level and rationalisation of cost of borrowing and other costs, induction of additional fund in the system etc. and other ameliorative measures taken and/or proposed to be taken and restructuring/reducing the outstanding amount of loan receivable in line with resolution plan, the Parent will be able to generate sufficient cashflow to meet its obligations and strengthen its financial position over a period of time. Considering that these measures are under implementation and/or under active consideration for arriving at a resolution plan and approving thereof in due course of time, these consolidated financial results have been prepared on going concern basis.

6. The predecessor auditors' had issued an adverse opinion on the consolidated audited financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,80,186 Lakhs given to various parties as given in Note no. 4 are outstanding as on December 31, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities. Information required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.
7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the consolidated financial results.



(b) Interest on Inter Corporate Deposits taken by the Parent has not been recognised to the extent of Rs. 6,749 Lakhs (including Rs. 2,134 Lakhs for the period) pending final settlement/finalisation of resolution plan.

8. The proceedings initiated against the Parent under "Insolvency and Bankruptcy Code, 2016" (IBC) pursuant to a petition filed by a corporate lender was closed following a settlement arrived at with a corporate lender in the previous quarter. Rs. 6,500 lakhs (Including Rs. 1,500 lakhs during the quarter) has been paid to said corporate lender by certain parties on behalf of the Parent and the balance borrowings amounting to Rs. 3,500 lakhs has been considered outstanding as on December 31, 2021. Adjustments/ Impact if any in this respect including with respect to the amount of Interest included in 7(b) above will be given effect to on final payment and ascertainment of amount thereof.
9. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 7 and 8 above, clearing accounts other than Inter-Unit balances, receivables/ Payables, advances from customers, loans (other than as dealt with in Note no. 4 above) and advances, other current assets and certain other liabilities of the Parent are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.
10. The observations concerning Auditors' Opinion on the consolidated financial statements for the year ended March 31, 2021 and conclusion on the unaudited financial results for the quarter and six months ended September 30, 2021 have been dealt with under Para 5 to 9 above. These are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent period.

For McLeod Russel India Limited

Place: Kolkata
Dated: February 14, 2022


(Aditya Khaitan)
Managing Director
(DIN No: 00023788)

