McLEOD RUSSEL
Believe in tea

31st July, 2020

The Secretary
BSE Limited, P.J. 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 Sir,

Sub: Outcome of Meeting of the Board of Directors held on 31 July 2020

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'), please be informed that the Board of Directors of the Company at its meeting held today, have inter-alia:-

1) approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and financial year ended 31st March, 2020 and Statement of Assets and Liabilities of the Company for the financial year ended 31st March, 2020. In compliance of Regulations 33 and other applicable provisions of the Listing Regulations please find enclosed herewith, the said financial results, Statement of Assets and Liabilities along with copies of Statutory Auditors' Report thereon and Statement of Impact of Audit Qualifications (for audit report with modified opinion).

2) approved of the Postal Ballot Notice for approving special resolution u/s 186 and u/s 180 of the Companies Act, 2013.

Time of Commencement of Meeting: 7.20 p.m.
Time of Conclusion of Meeting: 11.20 p.m

This is for your information and records.

Thanking you,

Yours faithfully,
For MCLEOD RUSSEL INDIA LIMITED

Alok Samant

(ALOK KUMAR SAMANT)
COMPANY SECRETARY &
COMPLIANCE OFFICER

Encl: As above

Registered Office :
McLEOD RUSSEL INDIA LIMITED
Corporate Identity Number (CIN) : L51109WB1998PLC087076
FOUR MANGOE 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
WM ***A Williamson Magor Group Enterprise***

LODHA
& CO
Chartered Accountants

14 Government Place East, Kolkata 700 069, India
Telephone : 033-2248-1111/1507/40400000
Telefax : 033-2248-6960
Email : cal@lodhaco.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors of McLeod Russel India Limited

Report on the Audit of the Standalone Financial Results

Adverse Opinion

We have audited the accompanying Standalone financial results of McLeod Russel India Limited (hereinafter referred to as the "Company") for the year ended March 31, 2020 and the notes thereon (hereinafter referred to as the "Financial Results") attached herewith, being compiled by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). The financial results has been initialed by us for the purpose of identification.

In our opinion and to the best of our information and according to the explanations given to us, the financial results:

a) Except for the matter dealt with in Basis for Adverse Opinion Para given below, the financial results have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
b) Due to the significance of the matter described in the Basis for Adverse Opinion Para given herein below, does not give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit for the year ended March 31, 2020 and other comprehensive income and other financial information for the year ended on that date.

Basis for Adverse Opinion

Attention is invited to the following notes of the financial results

a) Note no. 6 and 8 relating to Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,947 lakhs as on March 31, 2020 (including Interest of Rs. 2,337 lakhs accrued till March 31, 2019) given to certain companies are subject to compliances, as required under Companies Act, 2013 ('the Act'). The amount outstanding as on this date as given above is doubtful of recovery. In absence of provision there against, the profit for the period is overstated to that extent. Impact in this respect have not been ascertained and disclosed in the financial results;
b) The Company had given advance in earlier year to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on March 31, 2020. 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. 10(b) regarding non-recognition of Interest on Inter Corporate Deposits and thereby the profit for the period is overstated to that extent. Further as stated in Note no. 10(a) penal/compound interest against borrowings from banks/financial institution have not been recognised and other adjustments as stated in the said note have been given effect to, which are subject to confirmation from lenders and reconciliation with their balances and claims. Pending final determination of amount in this respect, adjustments arising therefrom and consequential impact has not been ascertained;
d) Note no 11 regarding non reconciliation of certain debit and credit balances with individual details and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable and as such cannot be commented upon by us;

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e) As stated in Note no. 8 of the financial results, the predecessor auditor in respect of the financial results for the year ended March 31, 2019 in respect of loans referred to in paragraphs (a) above have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Company in accordance with paragraph 10 of IND AS-24 "Related Party Disclosures". These loans are outstanding as on this date and uncertainty in this respect still exists. As represented by the management the parties involved are not related parties requiring disclosure in terms of said accounting standard and provisions of companies act 2013.The matter as reported is pending before regulatory authorities. We are therefore, unable to ascertain the impact of non-compliance with the disclosure and other requirements in respect of related parties and consequential impact, if any, on the financial results of the company.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics and provisions of the Companies Act, 2013 that are relevant to our audit of the financial statements in India under the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Emphasis of Matter

Attention is drawn to Note no. 14 of the financial results regarding the management's evaluation of impact of COVID-19 and uncertainty thereof on the assumptions and estimates concerning the financial results as well as future performance of the company. Our opinion is not modified in respect of the above matter.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit for the year ended March 31, 2020 and other comprehensive income and other financial information of the company in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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Auditors' Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

LODHA & CO
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KOLKATA

Other Matters

a) Attention is drawn to Note no. 7 of the financial results dealing with going concern assumption for preparation of the accounts of the Company. The Company's current liabilities exceeded its current assets. Funds obtained by borrowing and utilized for providing funds to other companies have become unserviceable primarily due to non-repayment of outstanding amounts by those companies. This has resulted in insufficiency of company's resources for meeting its obligations. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the 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 rationalization of costs, 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. In the event of the management's expectation and estimation etc., not turning out to be true, possible impact on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us.

b) We did not audit the financial results/ information of one overseas office included in the financial results of the Company whose financial results/financial information comprising of expenses to the extent of Rs. 2.68 lakhs has been incorporated therein based on Statement of Accounts audited by an Independent firm of Chartered Accountants. The impact in this respect is not material and reflect total assets of Rs. 8.95 lakhs as at March 31, 2020 and the total revenue of Rs. Nil for the year ended on that date. Our opinion in so far as it relates to the amounts and disclosures included in respect of said office is based solely on the report of Chartered Accountant.

c) The comparative financial information of the Company for the quarter and year ended March 31, 2019 were audited by the predecessor auditor who expressed an adverse opinion vide their report dated June 29, 2019. Further, the results for the quarter ended March 31, 2019 being taken as the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to December 31, 2018, were subject to limited review as required under the Listing Regulations by the said predecessor auditor. We have placed reliance on the reports given by the predecessor auditor for the purpose of these financial results and our report thereupon.

d) These financial results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2019. These figures were subject to limited review by us as required under the Listing Regulations.

e) Our opinion is not modified in respect of the above matters.

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

LODHA & CO. KOLKATA Chartered Accountants

R.P. Singh
R. P. Singh
Partner
Membership No: 52438
UDIN: 20052438AAAACC6374

Place: Kolkata
Date: July 31, 2020

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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs. Lakhs except for EPS

	Particulars	Standalone				
		Quarter ended			Financial Year ended	Financial Year ended
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		(Audited) (Refer Note no. 15)	(Unaudited)	(Audited) (Refer Note no. 15)	(Audited)	(Audited)
1	Revenue from Operations	15,531	28,113	17,568	85,640	1,31,319
2	Other Income	436	1,025	14,114	9,347	31,212
	Total Income (1 + 2)	**15,967**	**29,138**	**31,682**	**94,987**	**1,62,531**
3	**Expenses**					
	a) Cost of Materials Consumed	52	487	322	1,443	15,887
	b) Changes in Inventories of Finished Goods	12,858	5,124	16,621	2,547	(460)
	c) Employee Benefits Expense	8,401	13,052	15,184	50,746	74,542
	d) Finance Costs	2,309	5,340	18,583	21,441	32,665
	e) Depreciation and Amortisation Expenses	1,841	1,517	1,540	6,247	6,922
	f) Other Expenses	5,350	5,669	16,755	27,130	51,016
	Total Expenses	**30,811**	**31,189**	**69,005**	**1,09,554**	**1,80,572**
4	**Profit/(Loss) before Exceptional items and Tax (1+2-3)**	**(14,844)**	**(2,051)**	**(37,323)**	**(14,567)**	**(18,041)**
5	**Exceptional items**	-	-	**3,372**	**11,769**	**18,041**
6.	**Profit/(Loss) before Tax (4+5)**	**(14,844)**	**(2,051)**	**(33,951)**	**(2,798)**	**0**
7.	**Tax Expense**					
	a) Current Tax	-	-	(6,204)	-	710
	b) Provisions for tax relating to earlier years written back (net)	-	-	(3,974)	-	(3,973)
	c) Deferred Tax	(7,268)	(98)	8,072	(4,026)	3,705
8	**Profit/(Loss) for the period (6-7)**	**(7,576)**	**(1,953)**	**(31,845)**	**1,228**	**(442)**
9	**Other Comprehensive Income**					
	A i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of post-employment defined benefit plans	9	(763)	2,152	(2,279)	(660)
	b)Change in Fair Value of Equity instruments through other comprehensive income	(90)	93	(315)	(2,910)	(5,372)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	(3)	243	(688)	729	211
	Total Other Comprehensive Income	**(84)**	**(427)**	**1,149**	**(4,460)**	**(5,821)**
10	**Total Comprehensive Income for the period (comprising of profit and loss and other comprehensive income for the period) (8+9)**	**(7,660)**	**(2,380)**	**(30,696)**	**(3,232)**	**(6,263)**
11	**Earnings per Equity Share (EPS) (Rs.) (not annualised)**					
	Basic and Diluted	(7.26)	(1.87)	(29.87)	1.18	(0.41)
12	**Paid-up Equity Share Capital : Face Value : Rs. 5/- per share**	5,223	5,223	5,223	5,223	5,223
13	**Other Equity excluding Revaluation Reserve**	-	-	-	1,27,938	1,29,737

Annexure I

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

Rs. Lakhs

Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,00,346	1,07,430
Capital Work-in-Progress	5,277	4,745
Other Intangible Assets	1,200	1,467
Financial Assets		
Investments		
-Investment in Subsidiary	15,967	22,937
-Other Investments	1,081	4,239
Loans	2,85,975	1,76,012
Other Financial Assets	4,767	10,991
Other Non-current Assets	2,176	8,533
Sub-total -Non-Current Assets	**4,16,789**	**3,36,354**
Current Assets		
Inventories	5,860	9,352
Biological Assets othe than Bearer Plants	-	454
Financial Assets		
Trade Receivables	1,537	2,565
Cash and Cash Equivalents	3,983	30,658
Other Bank Balances	280	1,067
Loans	751	13
Other Financial Assets	1,769	1,296
Current Tax Assets (Net)	7,007	7,007
Other Current Assets	5,047	5,987
Sub-total - Current Assets	**26,234**	**58,399**
Non-Current Assets held for Sale	-	12,719
TOTAL ASSETS	**4,43,023**	**4,07,472**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	5,223	5,223
Other Equity	1,58,942	1,62,175
Sub-total - Equity	**1,64,165**	**1,67,398**
Liabilities		
Non-current Liabilities		
Financial Liabilities		
Borrowings	5,269	15,812
Other Financial Liabilities	555	-
Provisions		
Employee Benefit Obligations	3,631	4,072
Deferred Tax Liabilities (Net)	12,434	17,189
Other Non-current Liabilities	474	503
Sub-total- Non-Current Liabilities	**22,363**	**37,576**
Current Liabilities		
Financial Liabilities		
Borrowings	1,87,161	1,34,213
Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	7,250	15,561
Other Financial Liabilities	45,548	32,578
Other Current Liabilities	8,714	16,170
Provisions		
Employee Benefit Obligations	3,747	1,305
Other Provisions	1,007	975
Current Tax Liabilities (Net)	3,068	1,696
Sub-total- Current Liabilities	**2,56,495**	**2,02,498**
TOTAL LIABILITIES	**2,78,858**	**2,40,074**
TOTAL EQUITY AND LIABILITIES	**4,43,023**	**4,07,472**

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McLEOD RUSSEL INDIA LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

Annexure II

Particulars	For the Year Ended March 31, 2020		For the Year ended March 31, 2019	
A. Cash Flow from operating activities				
Net Profit Before Tax		(2,799)		-
Adjustment for non cash and other items:				
Finance Cost	21,441		32,665	
Depreciation and Amortisation Expense	6,247		6,922	
Exceptional Items	(11,590)		(18,041)	
Deffered Income	(29)		(29)	
Interest Income on loans, deposits, overdue debts etc.	(296)		(14,868)	
Provision/ Liabilities no longer required written back	(1,998)		(272)	
Profit on Compulsory acquisition of Land by Govt.	(195)		(94)	
Changes in fair value of Biological Assets	454		62	
Dividend on Long Term Trade Investments	(6,670)		(8,082)	
Bad Debts/advances written off	-		42	
Provision for Doubtful Debts /Advances/Int receivable	-		7,532	
Provision for TDS not deposited by parties	514		538	
Provision for Derivative Fair Value through Profit and Loss	(712)	7,166	198	6,573
Operating Profit before Working Capital changes		**4,367**		**6,573**
Adjustments for :				
(Increase) / decrease in Loans, Other Financial Assets	(294)		3,613	
(Increase) / decrease in Trade Receivables	190		13,540	
(Increase) / decrease in Inventories	3,492		3,121	
Increase / (decrease) in Other non-financial Liabilities and provisions	285		(1,172)	
(Increase) / decrease in Other current and Non-Financial Assets	800		1,848	
Increase / (decrease) in Trade Payables and other financial Liabilities	(9,976)	**(5,503)**	7,185	**28,135**
Cash Generated from Operations		**(1,136)**		**34,708**
Direct Taxes Paid (Net)		857		1,463
Cash from Operating Activities (A)		**(279)**		**36,171**
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	(1,973)		(4,352)	
Repayment of Capital Advances	6,500			
Sale of Property, Plant and Equipment	18,786		55,374	
Interest Received	7,480		11,223	
(Increase) / decrease in Bank Balances other than Cash and	785		(717)	
Dividend on Long Term Trade Investments	6,670		8,082	
Advance from Subsidiary against Buy-back of Shares	-		8,391	
(Purchase)/ Sale of Non-Current Investments (Net)	6,829		-	
(Increase) / decrease in Inter-Corporate Deposits	(1,10,142)		(1,09,908)	
Net Cash Flow From Investing Activities (B)		**(65,065)**		**(31,907)**
C. Cash Flow from Financing Activities				
Long Term Borrowings-Receipts/(Repayments)[Net]	(6,042)		(19,315)	
Short Term Borrowings-Receipts/(Repayments)[Net]	52,948		84,889	
Interest Paid	(7,689)		(31,962)	
Payment on Buy-back of Shares	-		(6,901)	
Payment of Lease Liability	(477)		-	
Dividends (including corporate dividend tax)	(71)		(572)	
Net Cash Flow From Financing Activities (C)		**38,669**		**26,139**
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		**(26,675)**		**30,403**
Cash and Cash Equivalent as at Beginning of Year		**30,658**		255
Cash and Cash Equivalent as at End of the Year		**3,983**		**30,658**
Notes				
1 Components of Cash and Cash Equivalents				
Cash On Hand		**235**		**31**
Balances with Banks				
In Current Account		**3,744**		**30,627**
Remittance in Transit		**4**		**-**
		3,983		**30,658**

Notes:

2 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

Notes to Standalone Audited Financial Results for the Quarter and Year ended March 31, 2020

1. (a) The above Audited financial result for the quarter and year ended March 31, 2020 includes Statement of Assets and Liabilities as on March 31, 2020 (Enclosed as "Annexure I") and Cash Flow for the year ended March 31, 2020 (Enclosed as "Annexure II") attached herewith. These results have been compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated July 05, 2016 and have been reviewed by the Audit Committee and approved by the Board of Directors on July 31, 2020. The results have been subjected to Audit by the Statutory Auditors.

   (b) Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to its leases under modified retrospective approach with cumulative effect of initial recognition being given effect to on the date of application. Right of Use Assets of Rs. 1,666 lakhs and corresponding lease liability where applicable have been recognised. This, however, does not have any significant impact on the Results and Earning Per Share for the period.

2. (a) Cost of materials consumed represents green leaf purchased from third parties.

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

3. (a) On August 09, 2018, the shareholders of the Company approved to sell specified assets of certain tea estates. In continuation of the steps initiated in this respect in earlier years, during the quarter ended June 30, 2019:

   - The company sold specified assets of 3 Tea Estates for an aggregate consideration of Rs 15,045 Lakhs. Profit on sale of such assets amounting to Rs. 4,004 Lakhs has been included under Exceptional items for year ended March 31, 2020.

   - The specified assets of one another tea estate had been identified and approved for sale. Memorandum of Understanding/ Term sheet with the proposed buyer for an aggregate consideration of Rs. 2,815 Lakhs, subject to due diligence and necessary approvals, etc. had also been entered by the company. Pending final binding agreement and completion of the transaction, such sales has not been recognised. Advance of Rs 550 Lakhs received from the proposed buyer against sale consideration has been shown under 'Other Financial Liabilities'

   (b) During the year, part of a building belonging to the Company was sold to a financial institution at a consideration of Rs. 4,477 Lakhs, which was adjusted against their outstanding dues. Loss of Rs. 238 Lakhs arising in this respect has been shown under exceptional items for the year ended March 31, 2020.

   (c) The Company has received advances against sale of estates and certain other assets amounting to Rs. 1,764 lakhs (including Rs. 550.00 lakhs dealt in (a) above) which could not crystalise on account of stay imposed by Hon'ble NCLT. Accordingly, such assets pending final decision of Hon'ble NCLT has been included under Property, Plant and Equipment (PPE) rather than as "Assets held for Sale" and have been depreciated in accordance with other items of PPE.

4. a) During the year ended March 31, 2019, the company's subsidiary Borelli Tea Holdings Limited (UK) (BTHL) had agreed to buy back 60,000 shares (out of total 3,62,000 shares held by the company) for an aggregate consideration of GBP 93,00,000, and Rs. 8,391 Lakhs received in this respect had been shown as advance from subsidiaries. During the year, the said buy-back after obtaining necessary clearances and completion of related formalities has been given effect to and profit of Rs. 4,441 Lakhs arising in this respect has been included under exceptional items for the year ended March 31, 2020.

   b) Further, BTHL vide it's Board Resolution dated July 01, 2019 has agreed to buy back 50,000 shares for a consideration of GBP 77,50,000 (Rs. 6,581 Lakhs). This transaction has also been concluded during the year and profit of Rs 3,562 Lakhs arising in this respect has been included under exceptional items.

LODHA & CO. KOLKATA

Mcleod Russel India Limited KOL

5. Exceptional Items represent:

(Rs. In Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2020	Dec 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
Profit on Sale of Specified Assets of the Tea Estates (Refer Note no. 3(a))	-	-	3,372	4,004	18,041
Loss on Sale of Other Fixed Assets (Refer Note no. 3(b))	-	-	-	(238)	-
Profit on buyback of shares by subsidiaries (Refer Note no. 4)	-	-	-	8,003	-
Total	**-**	**-**	**3,372**	**11,769**	**18,041**

6. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,84,610 Lakhs as at March 31, 2020 (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on March 31, 2020 aggregates to Rs. 2,337 Lakhs (net of provision of Rs. 6,947 Lakhs). Interest on such ICDs pending proposal for necessary waiver in this respect has not been accrued during the period and steps are being taken to restructure the borrowings and related financial obligations of the company as well as of various group companies and necessary resolution plan in this respect is under consideration of the lenders. The company expects to workout a plan for restructuring including reducing/liquidating such outstanding amount synchronising the proposed restructuring of borrowing in terms of the resolution plan under consideration of lenders as given herein below in Note no. 7. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/ adjusted in due course of time and no further provision is required at this stage.

7. Operational earnings and performance of the company even though has improved over the period, the Company's financial position has continued to be under stress. The Inter-Corporate Deposits given to various group 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 current resources vis-à-vis it's commitments and obligations and liquidity constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

   One of the banker has issued a notice of default and recalled the amount granted under various facilities and has commenced the proceeding before Debt recovery Tribunal (DRT) for realisation of their debt to the company. The said banker and one other lender have filed petitions under Insolvency and Bankruptcy Code, 2016 (IBC) with Hon'ble National Company Law Tribunal, Kolkata (NCLT). These petitions are however yet to be admitted by NCLT. Further, certain lenders including those concerning another group company have obtained injunction against disposal of the Company's assets, pending settlement of their dues.

   The company has taken various measures to overcome the financial constraints, which inter-alia include reduction in operational costs, monetising the Company's/group's assets including holding of other group companies and also proposal for restructuring/reducing the borrowings so that to make them sustainable and rationalising the costs thereof and infusing liquidity in the system over a period of time.

KOLKATA

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The Resolution process of stressed assets vide circular dated June 07, 2019 issued by the Reserve Bank of India has been initiated by the lenders. The lenders have appointed an Independent professional for carrying out Techno Economic Viability (TEV) study and valuers for carrying out the valuation of the company. Further SBI Capital Markets Limited, one of the leading investment banker and adviser has been appointed by the lender to work out and recommend resolution plan and possible course of action on the matter. The professionals so appointed have submitted their reports including the Draft Resolution Plan which is pending before lenders for their consideration and decision.

The management is confident that with the lenders support in restructuring their debt and related and other cost reductions, etc. and other ameliorative measures taken, the company will be able to restructure/reduce its outstanding amount of loan receivable in line with the same and 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 as on this date, the financial statements have been prepared on going concern basis.

8. The predecessor auditors' have issued an adverse opinion on the financial results for the year ended March 31, 2019. These matters include the issues relating to Inter-Corporate Deposits to companies including certain cases considered by them to be in the nature of book entries, being in excess of the limit prescribed under Section 186 of the Companies Act, 2013 ('the Act'). This includes amounts given to group companies whereby applicability of Section 185 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of 2,84,610 Lakhs given to various parties as given in Note no. 6 are outstanding as on March 31, 2020. This will therefore be required to be approved by the shareholders under Section 186 of the Act, since necessary approval could not be obtained earlier. Information required by relevant authorities including Registrar of Companies have been provided and directions, if any received on conclusion of the proceeding will be dealt with appropriately to ensure necessary compliances. These matters are procedural in nature and/or are subject to the decision by the authorities and do not have any impact as such on the profit or loss for the period.

9. Remuneration to the extent of Rs. 920 Lakhs paid to Managing Director for the period from April 01, 2017 to March 31, 2020 has become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Accordingly, the said amount being held in trust has been recognised as advances under "Loans" pending recovery/adjustment in due course of time.

10. (a) Pending completion of debt restructuring process and consequential adjustment in this respect as per Note No. 7 above, Interest on borrowings have been provided on simple interest based at 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 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 final decision to be arrived at in this respect. Adjustments, if any required in this respect will be recognised on determination thereof and will be given effect to in the financial results.

    (b) Interest on Inter Corporate Deposits has not been recognised to the extent of Rs. 2,150 lakhs pending finalisation of debt resolution process.

11. Certain debit and credit balances including inter-unit and other clearing balances, trade and other receivables/ Payables, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea garden are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

12. In view of Sale of Specified Assets pertaining to Tea Estates in the previous year as well as in current period (Note no. 3), figures of the previous periods are not comparable with those of the current period. Figures for the previous period have however, been regrouped/ rearranged, wherever necessary.

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13. Deferred Taxation includes Asset on account of MAT Credit Entitlement amounting to Rs. 2,091 lakhs created during the quarter. The said entitlement aggregates to Rs. 5,154 is based on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income.

14. Consequent to the outbreak of COVID-19, which has been declared as a pandemic by World Health Organisations (WHO), Government of India has declared a lock down effective from March 24, 2020. The Company's operation have been affected due to loss of more than a month's production due to the suspension of the operation, disruption in supply chain and non-availability of personnel during lock down. Though the garden operation have resumed in the first week of May 2020, additional costs for upkeep, skiffing of unwanted produce, manuring and other related costs for up bringing of the leaves for plucking has to be incurred. However, the production due to continuing problem with respect to availability and deployment of manpower, etc. and other logistic support is yet to be normalised. Operations especially at gardens and warehouses are still affected and expected to be normalised over the period of time.

    The Company has taken steps towards rationalising it's employee related and other fixed cost. The prices of tea and realisation there against have improved due to supply mismatch in the current situation. Accordingly, the company has revised it's business projections based on internal and external information and possible assumptions and estimates in the given situation and circumstances. The company has assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, supply chain and demand for its products and on the carrying value of various current and non-current assets and no material impact on the financial results are expected to arise. The actual impact of the global health pandemic may be different from that which has been estimated. The Company will continue to closely monitor the situation and any variation due to the changes in situations will then be taken into consideration.

15. The figures for the quarters ended March 31, 2020 and March 31 , 2019 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended December 31 of the respective years which were subject to limited review by the Statutory Auditors.

For McLeod Russel India Limited

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

Place: Kolkata
Dated: July 31, 2020

McLeod Russel India Limited KOL-1

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McLeod Russel India Limited

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Standalone Financial Results

Statement on Impact of Audit Qualifications on Standalone Results for the Financial Year ended March 31, 2020 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in Lakh)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications to the extent ascertainable)
	1	Turnover / Total income	94,987	94,987
	2	Total Expenditure	1,09,554	1,11,704
	3	Net Profit/(Loss)	1,228	(922)
	4	Earnings Per Share	1.18	(0.88)
	5	Total Assets	4,43,023	4,43,023
	6	Total Liabilities	2,78,858	2,81,008
	7	Net Worth	1,64,165	1,62,015
	8	Any other financial item(s)	-	-

II..

Audit Qualification (each audit qualification separately): **Qualification-1**	
a. Details of Audit Qualification:	Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,947 lakhs as on March 31, 2020 (including Interest of Rs. 2,337 lakhs accrued till March 31, 2019) given to certain companies are subject to compliances, as required under Companies Act, 2013 ('the Act'). The amount outstanding as on this date as given above is doubtful of recovery. In absence of provision there against, the profit for the period is overstated to that extent. Impact in this respect have not been ascertained and disclosed in the financial results
b. Type of Audit Qualification:	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	The Company expects to work out a plan for restructuring including reducing/liquidating such outstanding amount synchronising the proposed restructuring of borrowings in terms of the resolution plan under consideration of lenders.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	ICD are subject to compliances
(i) Management's estimation on the impact of audit qualification:	Estimation is not applicable
(ii) If management is unable to estimate the impact, reasons for the same:	This is a procedural matter under Companies Act.
(iii) Auditors' Comments on (i) or (ii) above:	

Audit Qualification (each audit qualification separately):
Qualification-2

KOLKATA

McLEOD RUSSEL INDIA LIMITED Kolkata

a. Details of Audit Qualification:	The Company had given advance in earlier year to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on March 31, 2020. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Efforts are being made to recover the advance.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil
(i) Management's estimation on the impact of audit qualification:	Not applicable
(ii) If management is unable to estimate the impact, reasons for the same:	Not applicable
(iii) Auditors' Comments on (i) or (ii) above:	
Audit Qualification (each audit qualification separately): **Qualification-3**	
a. Details of Audit Qualification:	Non-recognition of Interest on Inter Corporate Deposits and thereby the profit for the period is overstated to that extent. Further as stated in Note no. 10(a) penal/compound interest against borrowings from banks/financial institution have not been recognised and other adjustments as stated in the said note have been given effect to, which are subject to confirmation from lenders and reconciliation with their balances and claims. Pending final determination of amount in this respect, adjustments arising therefrom and consequential impact has not been ascertained
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	There are disputes regarding the interest on inter-corporate borrowings. Therefore interest-expenditure has not been accounted on inter-corporate borrowings pending resolution of the same.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not Ascertainable
(ii) If management is unable to estimate the impact, reasons for the same:	Penal interest / compound interest has not been confirmed by banks. In any case, interest would be restructured under Debt-Resolution-Plan.
(iii) Auditors' Comments on (i) or (ii) above:	

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Audit Qualification (each audit qualification separately): **Qualification-4**	
a. Details of Audit Qualification:	Non reconciliation of certain debit and credit balances with individual details and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable and as such cannot be commented upon by the Auditors
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not quantified
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not quantifiable
(ii) If management is unable to estimate the impact, reasons for the same:	Impact will become ascertainable only upon reconciliations and confirmations.
(iii) Auditors' Comments on (i) or (ii) above:	

Audit Qualification (each audit qualification separately): **Qualification-5**	
a. Details of Audit Qualification:	The predecessor auditor in respect of the financial results for the year ended March 31, 2019 in respect of loans referred to in paragraphs (a) above have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Company in accordance with paragraph 10 of IND AS-24 "Related Party Disclosures". These loans are outstanding as on this date and uncertainty in this respect still exists. As represented by the management the parties involved are not related parties requiring disclosure in terms of said accounting standard and provisions of companies act 2013.The matter as reported is pending before regulatory authorities. We are therefore, unable to ascertain the impact of non-compliance with the disclosure and other requirements in respect of related parties and consequential impact, if any, on the financial results of the company.
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not quantified
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not quantifiable
(ii) If management is unable to estimate the impact, reasons for the same:	The matter as reported is pending before regulatory authorities.
(iii) Auditors' Comments on (i) or (ii) above:	

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MCLEOD RUSSEL INDIA LIMITED Kolkata

III.	**Signatories:** • Managing Director — **(Aditya Khaitan)** • Chief Financial Officer — **(Pradip Bhar)** • Audit Committee Chairman — ARUNDHUTI DHAR Digitally signed by ARUNDHUTI DHAR Date: 2020.07.31 21:20:33 +05'30' **(Arundhuti Dhar)** • Statutory Auditors — **For Lodha & Co, Chartered Accountants** R.P. Singh **(R.P. Singh)** **(Partner)**

Place: Kolkata

Date: July 31, 2020

LODHA
& CO
Chartered Accountants

14 Government Place East, Kolkata 700 069, India
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Telefax : 033-2248-6960
Email : cal@lodhaco.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of McLeod Russel India Limited

Report on the Audit of the Consolidated Financial Results

Adverse Opinion

We have audited the accompanying consolidated financial results of McLeod Russel India Limited (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its Associates for the year ended March 31, 2020 and the notes thereon (hereinafter referred to as the "Consolidated Financial Results") attached herewith, being compiled by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). The consolidated financial results has been initialed by us for the purpose of identification.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial results:

a) include the annual financial results of the following entities:
   I. Subsidiaries (including step down subsidiaries):
      1. Borelli Tea Holdings Limited
      2. McLeod Russel Uganda Limited
      3. Phu Ben Tea Company Limited
      4. McLeod Russel Africa Limited
      5. McLeod Russel Middle East DMCC

   II. Pfunda Tea Company Limited, an Associate Company till May 03, 2019

b) Except for the matter dealt with in Basis for Adverse Opinion given below, the consolidated financial results have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c) Due to the significance of the matter described in the Basis for Adverse Opinion Para given herein below, does not give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss for the year ended March 31, 2020 and other comprehensive income and other financial information for the year ended on that date.

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Chartered Accountants

Basis for Adverse Opinion

Attention is invited to the following notes of the Consolidated financial statements

a) Note no. 7 and 9 relating to Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,947 lakhs as on March 31, 2020 (including Interest of Rs. 2,337 lakhs accrued till March 31, 2019) given to certain companies are subject to compliances, as required under Companies Act, 2013 ('the Act'). The amount outstanding as on this date as given above is doubtful of recovery. In absence of provision there against, the loss for the period is understated to that extent. Impact in this respect have not been ascertained and disclosed in the consolidated financial results.

b) The Parent had given advance in earlier year to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on March 31, 2020. 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. 11(b) regarding non-recognition of Interest on Inter Corporate Deposits and thereby the loss for the period is understated to that extent. Further as stated in Note no. 11(a) penal/compound interest against borrowings from banks/financial institution have not been recognised and other adjustments as stated in the said note have been given effect to, which are subject to confirmation from lenders and reconciliation with their balances and claims. Pending final determination of amount in this respect, adjustments arising therefrom and consequential impact has not been ascertained;

d) Note no 12 regarding non reconciliation of certain debit and credit balances with individual details and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable and as such cannot be commented upon by us; and

e) As stated in Note no. 9 of the consolidated financial results, the predecessor auditor in respect of the financial results for the year ended March 31, 2019 in respect of loans referred to in paragraphs (a) above have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Company in accordance with paragraph 10 of IND AS-24 "Related Party Disclosures". These loans are outstanding as on this date and uncertainty in this respect still exists. As represented by the management the parties involved are not related parties requiring disclosure in terms of said accounting standard and provisions of companies act 2013.The matter as reported is pending before regulatory authorities. We are therefore, unable to ascertain the impact of non-compliance with the disclosure and other requirements in respect of related parties and consequential impact, if any, on the consolidated financial results of the Parent.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics and provisions of the Companies Act, 2013 that are relevant to our audit of the consolidated financial statements in India under the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Emphasis of Matter

Attention is drawn to Note no. 15 of the consolidated financial results regarding the management's evaluation of impact of COVID-19 and uncertainty thereof on the assumptions and estimates concerning the consolidated financial results as well as future performance of the Parent. Our opinion is not modified in respect of the above matter.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Results

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial results that give a true and fair view of the net loss for the year ended March 31, 2020 and other comprehensive income and other financial information of the Group including its Associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; and
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that

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may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements of which we are the Independent Auditors. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Parent of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We read with Note no. 2(a) 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.

Other Matters

a) Attention is drawn to Note no. 8 of the consolidated financial results dealing with going concern assumption for preparation of the accounts of the Parent. The Parent's current liabilities exceeded its current assets. Funds obtained by borrowing and utilized for providing funds to other companies have become unserviceable primarily due to non-repayment of outstanding amounts by those companies. This has resulted in insufficiency of Parent's resources for meeting its obligations. These conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern. However, the financial results of the Parent 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 rationalization of costs, restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and restructuring of outstanding loan receivable in sync with said plan and other proposals under evaluation as on this date. In the event of the management's expectation and estimation etc., not turning out to be true, possible impact on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us.

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b) We did not audit the consolidated financial statements of the subsidiary company, whose financial statements reflect total assets as at March 31, 2020, total revenue and net cash flow/(outflow) for the year ended as on that date, considered as under in the consolidated financial results based on financial statements audited and reported upon by another auditor:

(Rs. In Lakhs)

Name of the Subsidiary	Total Assets as at March 31, 2020	Total Revenue for the year ended March 31, 2020	Net Cash Inflow/(Outflow) for the year ended March 31, 2020
Borelli Tea Holdings Limited (Consolidated)	5,05,26.22	2,91,98.15	(27,77.75)

The financial statements of the subsidiary company are prepared consolidating the financial statement of step down subsidiaries listed under Para (a)(I) 2 to 5 above. The said financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors and the procedure performed by us as stated in Paragraph above

c) We did not audit the financial statement of an associate whose financial result reflect Group Group's share of net profit after tax of Rs. 40 lakhs and total comprehensive income of Rs. 40 lakhs for the year ended March 31, 2020 as considered in the consolidated financial results based on audited financial statements by other auditor.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Associate in so far as it relates to the aforesaid Associate is based solely on the reports of the other auditors and the procedure performed by us as stated in Paragraph above.

d) We did not audit the financial statements/ information of one overseas office included in the consolidated financial results of the Group whose financial statements/financial information comprising of expenses to the extent of Rs. 2.68 lakhs has been incorporated therein based on Statement of Accounts audited by an Independent firm of Chartered Accountants. The impact in this respect is not material and reflect total assets of Rs. 8.95 lakhs as at March 31, 2020 and the total revenue of Rs. Nil for the year ended on that date. Our opinion in so far as it relates to the amounts and disclosures included in respect of said office is based solely on the report of Chartered Accountant.

e) These consolidated financial results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2019. These figures were subject to limited review by us as required under the Listing Regulations.

f) The comparative financial information of the Group for the year ended March 31, 2019 were audited by the predecessor auditor who expressed an adverse opinion vide their report dated June 29, 2019. Further, the results for the quarter ended March 31, 2019 being taken as the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to December 31, 2018 as approved by the Parent's Board of Directors but not subject to review. We have placed reliance on the reports given by the predecessor auditor for the purpose of these consolidated financial results and our report thereupon.

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g) Our opinion is not modified in respect of the above matters.

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

R. P. Singh
Partner
Membership No: 52438
UDIN: 20052438AAAACE4059

Place: Kolkata
Date: July 31, 2020

LODHA & CO
KOLKATA
Chartered Accountants

MCLEOD RUSSEL INDIA LIMITED

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Web : www.mcleodrussel.com, Email id :administrator@mcleodrussel.com, Phone no: 033-2210-1221, Fax no.: 033-2248-3683
CIN: L51109WB1998PLC087076

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs Lakhs except for EPS

	Particulars	Consolidated				
		Quarter ended			Financial Year ended	Financial Year ended
		March 31, 2020 (Audited) (Refer Note no. 16)	December 31, 2019 (Unaudited)	March 31, 2019 (Audited) (Refer Note no. 16)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1	Revenue from Operations	21,502	36,595	32,800	1,14,272	1,72,292
2	Other Income	586	1,068	9,403	3,168	23,731
	Total Income (1 + 2)	**22,088**	**37,663**	**42,203**	**1,17,440**	**1,96,023**
3	**Expenses**					
	a) Cost of Materials Consumed	2,021	2,905	5,570	8,734	26,765
	b) Purchase of Tea	(151)	1,295	480	3,792	4,970
	c) Changes in Inventories of Finished Goods	11,077	5,194	15,314	2,080	(1,730)
	d) Employee Benefits Expense	9,796	14,944	18,253	56,946	81,995
	e) Finance Costs	2,532	5,554	18,916	22,669	33,757
	f) Depreciation and Amortisation Expenses	2,267	2,039	1,970	7,795	8,412
	g) Other Expenses	8,549	8,255	20,250	38,776	64,725
	Total Expenses	**36,091**	**40,186**	**80,753**	**1,40,792**	**2,18,894**
4	**Profit/(Loss) before Exceptional items and Tax (1+2-3)**	**(14,003)**	**(2,523)**	**(38,550)**	**(23,352)**	**(22,871)**
5	**Exceptional items**	**(55)**	**71**	**-**	**4,398**	**28,940**
6.	**Profit/(Loss) before Tax (4+5)**	**(14,058)**	**(2,452)**	**(38,550)**	**(18,956)**	**6,069**
7.	**Tax Expense**					
	a) Current Tax	93	44	(5,923)	365	2,137
	b) Provisions for tax relating to earlier years written back (net)	-	-	(3,973)	-	(3,973)
	c) Deferred Tax	(7,087)	(199)	8,391	(4,502)	4,024
8	**Profit/(Loss) for the period (6-7)**	**(7,064)**	**(2,297)**	**(37,045)**	**(14,819)**	**3,881**
9	**Share of Profit of associate**	-	-	-	**40**	-
10	**Net Profit/(Loss) after taxes and share of profit of associate (8+9)**	**(7,064)**	**(2,297)**	**(37,045)**	**(14,779)**	**3,881**
11	**Other Comprehensive Income**					
	A i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of post-employment defined benefit plans	(78)	(763)	2,065	(2,366)	(747)
	b)Change in Fair Value of Equity instruments through other comprehensive income	(90)	93	(315)	(2,910)	(5,372)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	24	243	(662)	755	237
	B i)Items that will be reclassified to profit or loss			-		
	a)Exchange differences on translation of foreign operations	57	240	(4,508)	916	(5,264)
	Total Other Comprehensive Income	**(87)**	**(187)**	**(3,420)**	**(3,605)**	**(11,146)**
12	**Total Comprehensive Income for the period (comprising of profit and loss and other comprehensive income for the period) (10+11)**	**(7,151)**	**(2,484)**	**(40,465)**	**(18,384)**	**(7,265)**
13	**Profit/(Loss) for the period attributable to :**					
	Owners' of the Parent Company	(7,064)	(2,297)	(37,045)	(14,779)	3,184
	Non-controlling interests	-	-	-	-	697
14	**Other Comprehensive Income for the period attributable to :**					
	Owners' of the Parent Company	(87)	(187)	(3,420)	(3,605)	(11,146)
	Non-controlling interests	-	-	-	-	-
15	**Total Comprehensive Income for the period attributable to :**					
	Owners' of the Parent Company	(7,151)	(2,484)	(40,465)	(18,384)	(7,962)
	Non-controlling interests	-	-	-	-	697
16	**Earnings per Equity Share (EPS) (Rs.) (not annualised)**					
	Basic and Diluted	(6.76)	(2.20)	(42.40)	(14.15)	4.44
17	**Paid-up Equity Share Capital : Face Value : Rs. 5/- per share**	5,223	5,223	4,369	5,223	4,369
18	**Other Equity excluding Revaluation Reserve**	-	-	-	1,49,214	1,64,615

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McLeod Russel India Limited KOL-1

(Rs. Lakhs)

Segment Information:

Particulars	Consolidated				
	Quarter ended			Financial Year ended	Financial Year ended
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Segment Revenue:					
India	15,509	28,201	17,448	85,565	1,30,673
Vietnam	2,274	2,155	2,281	7,641	7,623
Uganda	3,349	4,536	5,475	16,068	18,135
Rwanda	-	-	9,381	-	9,381
UK	(528)	574	172	227	172
Others	898	1,129	(2,283)	4,771	5,982
Total	**21,502**	**36,595**	**32,474**	**1,14,272**	**1,71,966**
Segment Result:					
India	(14,866)	(1,963)	(37,723)	(17,547)	(8,059)
Vietnam	334	(135)	59	(102)	(1,374)
Uganda	603	(336)	(351)	(1,589)	2,291
Rwanda	-	-	3,664		3,664
UK	120	(1,766)	8,665	204	8,665
Others	(209)	1,748	1,407	120	882
Profit/(Loss) before taxation	**(14,019)**	**(2,452)**	**(24,279)**	**(18,915)**	**6,069**
Share of Profit of Associate	-	-	-	40	-
Less Taxation :					
Curent tax	93	44	(5,923)	365	2,137
Provision relating to earlier years, written back	-		(3,974)		(3,974)
Deferred tax	(7,087)	(199)	8,391	(4,502)	4,024
	(6,995)	**(155)**	**(1,506)**	**(4,138)**	**2,187**
Profit/(Loss) after taxation	**(7,024)**	**(2,297)**	**(22,773)**	**(14,777)**	**3,882**
Depreciation and amortisation relating to segments:					
India	1,841	1,517	1,539	6,247	6,922
Vietnam	78	274	92	538	528
Uganda	341	227	333	954	904
Rwanda	-	-	-	-	-
UK	52	(26)	53	52	53
Others	(45)	47	(47)	4	5
Total	**2,267**	**2,039**	**1,970**	**7,795**	**8,412**
Segment Assets					
India	4,26,728	4,51,419	3,84,345	4,26,728	3,84,345
Vietnam	14,445	13,976	13,352	14,445	13,352
Uganda	29,653	42,464	27,938	29,653	27,938
Rwanda	-	-	41		41
UK	20,301	5,597	27,667	20,301	27,667
Others	2,398	1,586	2,595	2,398	2,595
Total	**4,93,524**	**5,15,042**	**4,55,938**	**4,93,524**	**4,55,938**
Segment Liabilities					
India	2,78,208	2,95,615	2,31,004	2,78,208	2,31,004
Vietnam	5,658	7,902	4,480	5,658	4,480
Uganda	23,682	15,946	10,587	23,682	10,587
Rwanda	-	-	127		127
UK	289	1,178	7,869	289	7,869
Others	246	1,587	449	246	449
Total	**3,08,083**	**3,22,228**	**2,54,516**	**3,08,083**	**2,54,516**

Annexure I

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

Rs. Lakhs

Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,21,086	1,25,921
Capital Work-in-Progress	9,265	8,943
Goodwill	19,937	19,747
Other Intangible Assets	1,534	1,849
Financial Assets		
Investments		
-Investment in Associate		5,909
-Other Investments	1,081	4,239
Loans	2,87,711	1,76,013
Other Financial Assets	4,794	10,991
Other Non-current Assets	2,243	8,605
Sub-total -Non-Current Assets	**4,47,651**	**3,62,217**
Current Assets		
Inventories	19,430	22,610
Biological Assets othe than Bearer Plants	79	568
Financial Assets		
Trade Receivables	3,452	3,950
Cash and Cash Equivalents	5,162	34,614
Other Bank Balances	280	1,067
Loans	751	14
Other Financial Assets	1,498	2,637
Current Tax Assets (Net)	8,355	8,270
Other Current Assets	6,866	7,272
Sub-total - Current Assets	**45,873**	**81,002**
Non-Current Assets held for Sale	-	12,719
TOTAL ASSETS	**4,93,524**	**4,55,938**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	5,223	4,369
Other Equity	1,80,219	1,97,052
Sub-total - Equity	**1,85,442**	**2,01,421**
Liabilities		
Non-current Liabilities		
Financial Liabilities		
Borrowings	18,577	22,270
Other Financial Liabilities	555	-
Provisions		
Employee Benefit Obligations	4,265	4,601
Deferred Tax Liabilities (Net)	13,865	19,020
Other Non-current Liabilities	474	503
Sub-total- Non-Current Liabilities	**37,736**	**46,394**
Current Liabilities		
Financial Liabilities		
Borrowings	1,94,906	1,42,579
Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	8,932	17,426
Other Financial Liabilities	49,416	36,038
Other Current Liabilities	8,965	8,029
Provisions		
Employee Benefit Obligations	3,851	1,312
Other Provisions	1,007	975
Current Tax Liabilities (Net)	3,269	1,764
Sub-total- Current Liabilities	**2,70,346**	**2,08,123**
TOTAL LIABILITIES	**3,08,082**	**2,54,517**
TOTAL EQUITY AND LIABILITIES	**4,93,524**	**4,55,938**

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MCLEOD RUSSEL INDIA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

Annexure - II

Particulars	For the Year Ended March 31, 2020		For the Year Ended March 31, 2019	
A. Cash Flow from operating activities				
Net Profit Before Tax		(18,956)		6,069
Adjustment for non cash and other items:				
Finance Cost	22,669		33,757	
Depreciation and Amortisation Expense	7,795		8,412	
Exceptional Items	(4,398)		(28,940)	
Deffered Income	(29)		(29)	
Interest Income on loans, deposits, overdue debts etc.	(296)		(14,784)	
Provision/ Liabilities no longer required written back	(1,998)		(272)	
Profit on Compulsory acquisition of Land by Government	(195)		-	
Changes in fair value of Biological Assets	497		96	
Dividend on Long Term Trade Investments	-		(33)	
Bad Debts/advances written off	-		452	
Provision for Doubtful Debts /Advances/Int receivable	-		7,799	
Provision for TDS not deposited by parties	514		538	
(Profit) / Loss on disposal of Property, Plant and Equipment	54		382	
Exchange-difference on translation of balances denominated in foreign	(23)		(5,264)	
Exchange-difference on translation of foreign currency of subsidiaries	(148)		-	
Provision for Derivative Fair Value through Profit and Loss	(712)	23,730	132	2,246
Operating Profit before Working Capital changes	-	**4,774**		**8,315**
Adjustments for :				
(Increase) / decrease in Loans, Other Financial Assets	(2,139)		-	
(Increase) / decrease in Trade Receivables	(47)		8,113	
(Increase) / decrease in Inventories	4,237		751	
Increase / (decrease) in Other non-financial Liabilities and provisions	201		-	
(Increase) / decrease in Other current and Non-Financial Assets	10,224		-	
Increase / (decrease) in Trade Payables and other financial Liabilities	(9,465)	**3,011**	12,062	**20,926**
Cash Generated from Operations	-	**7,785**		**29,241**
Direct Taxes Paid (Net)		479		(1,226)
Cash from Operating Activities (A)		**8,264**		**28,015**
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	2,631		(6,053)	
Sale of Property, Plant and Equipment	18,787		58,421	
Interest Received	7,481		12,204	
(Increase) / decrease in Bank Balances other than Cash and cash	785		(97)	
Dividend on Long Term Trade Investments	-		33	
(Purchase)/ Sale of Non-Current Investments (Net)	6,416		12,943	
Loans to Employees and Related party			-	
(Increase) / decrease in Inter-Corporate Deposits	(1,10,142)		(1,09,788)	
Net Cash Flow From Investing Activities (B)		**(74,042)**		**(32,337)**
C. Cash Flow from Financing Activities				
Long Term Borrowings-Receipts/(Repayments)[Net]	3,542		(18,147)	
Short Term Borrowings-Receipts/(Repayments)[Net]	48,903		90,294	
Interest Paid	(8,731)		(32,775)	
Payment on Buy-back of Shares	-		(6,901)	
Payment of Lease Liability	(477)		-	
Dividends (including corporate dividend tax)	(7,057)		(452)	
Net increase decrease in statutory bank account	-		(35)	
Net Cash Flow From Financing Activities (C)		**36,180**		**31,984**
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		**(29,598)**		**27,662**
Cash and Cash Equivalent as at Beginning of Year		34,760		6,952
Cash and Cash Equivalent as at End of the Year		**5,162**		**34,614**
Notes				
1 Components of Cash and Cash Equivalents				
Cash On Hand		382		79
Balances with Banks				
In Current Account		4,776		34535
Remittance in Transit		4		-
		5,162		34,614

Notes:

2 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

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McLeod Russel India Limited KOL-1

Notes to Consolidated Audited Financial Results for the quarter and year ended March 31, 2020

1. (a) The above consolidated financial results of McLeod Russel India Limited ('the Parent Company') and its subsidiaries (together referred to as the 'Group') and its associates for the quarter and year ended March 31, 2020 includes Consolidated Statement of Assets and Liabilities as on March 31, 2020 (Enclosed as "Annexure I") and Consolidated Cash Flow for the year ended March 31, 2020 (Enclosed as "Annexure II") attached herewith. These consolidated results have been compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated July 05, 2016 and have been reviewed by the Audit Committee and approved by the Board of Directors on July 31, 2020. The results have been subjected to Audit by the Statutory Auditors.

   (b) The consolidated financial results for the quarter and year ended March 31, 2020 include the figures of the Company 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) and Pfunda Tea Company Limited, an Associate till May 03, 2019.

   (e) Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to its leases under modified retrospective approach with cumulative effect of initial recognition being given effect to on the date of application. Right of Use Assets of Rs. 1,666 lakhs and corresponding lease liability where applicable have been recognised. This, however, does not have any significant impact on the Results and Earning Per Share for the period.

   (f) In the consolidated financial results, the face value of the Parent Company's shares held by a Trust for benefit of Borelli Tea Holding Limited, the Parent's wholly owned subsidiary were deducted from the Equity Share Capital of the Parent Company. During the quarter ended September 30, 2019, these shares had been sold and profit realised there against amounting to Rs. 1,549 Lakhs has been adjusted against Other Equity. Earning per share for the quarter and year ended March 31, 2020 and for the corresponding period have accordingly been computed and disclosed in these consolidated financial statements.

2. (a) The entire equity shareholding in Gisovu Tea Company Limited and half of the such holding in Pfunda Tea Company Limited was divested in March 2019. The balance shares held in Pfunda Tea Company Limited as stated in Note no. 2(b) has been divested in April 2019. Thereby, Comparative figures of Gisovu Tea Company Ltd and Pfunda Tea Company Ltd for the nine months ended December 31, 2018 are not available due to change in ownership and management of these Companies. The consolidated figures for the corresponding previous quarter and year ended March 31, 2019 for the purpose of these consolidated financial statements have therefore been arrived at considering the balancing figures with respect to consolidated results published till December 31, 208.

   (b) The Company's subsidiary Borelli Tea Holding Limited which was holding 45% shares of Pfunda Tea Company Limited has disposed-off it's balance shareholding of 45 shares (after sale of 45% of shares in the previous year) for a consideration of USD 78,73,963. The profit of Rs. 6,32 Lakhs arising on such sale has been shown as an exceptional item for the year ended March 31, 2020.

3. (a) Cost of materials consumed represents green leaf purchased from third parties.

   (c) 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 location and accordingly India, Vietnam, Uganda, Rwanda, UK and others have been considered to be reportable segment.

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McLeod Russel India Limited KOL-1

4. (a) On August 09, 2018, the shareholders of the Parent Company approved to sell specified assets of certain tea estates. In continuation of the steps initiated in this respect in earlier years, during the quarter ended June 30, 2019:
   - The Parent Company has sold specified assets of 3 Tea Estates for an aggregate consideration of Rs 15,045 Lakhs. Profit on sale of such assets amounting to Rs. 4,004 Lakhs has been shown under Exceptional items for year ended March 31, 2020.
   - The specified assets of one more tea estate have been identified and approved for sale. Memorandum of Understanding/ Term sheet with the proposed buyer for an aggregate consideration of Rs. 2,815 Lakhs, subject to due diligence and necessary approvals, etc. have also been entered by the Parent. Pending final binding agreement and completion of the transaction, such sales has not been recognised. Advance of Rs 550 Lakhs received during the period from the proposed buyer, has been shown under 'Other Financial Liabilities'.

   (b) During the year, part of a building belonging to the Parent has been sold to a financial institution at a consideration of Rs. 4,477 Lakhs and has been adjusted against their outstanding dues. Loss of Rs. 238 Lakhs arising in this respect has been shown under exceptional items for the year ended March 31, 2020.

5. a) During the year ended March 31, 2019, the Parent's subsidiary Borelli Tea Holdings Limited (UK) (BTHL) had agreed to buy back 60,000 shares (out of total 3,62,000 shares held by the company) for an aggregate consideration of GBP 93,00,000, and Rs. 8,391 Lakhs received in this respect had been shown as advance from subsidiaries. During the year, the said buy-back after obtaining necessary clearances and completion of related formalities has been given effect to in the consolidated financial results.

   b) Further, BTHL vide it's Board Resolution dated July 01, 2019 has agreed to buy back 50,000 shares for a consideration of GBP 77,50,000 (Rs. 6,581 Lakhs). This transaction has also been concluded during the year.

6. Exceptional Items represent:

(Rs. Lakhs)

Particulars	**Quarter ended**			**Year ended**	
	March 31, 2020	**Dec 31, 2019**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Profit on Sale of Specified Assets of the Tea Estates (Refer Note no. 4(a))	-	-	18,041	4,004	18,041
Loss on Sale of Fixed Assets (Refer Note no. 4(b))	-	-	-	(238)	-
Profit on Sale of Subsidiary/ Associates (Refer Note no. 2(b))	(55)	71	10,900	632	10,899
Total	**(55)**	**71**	**28,941**	**4,398**	**28,940**

7. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies by the Parent, the amount outstanding aggregates to Rs. 2,84,610 Lakhs as at March 31, 2020 (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on March 31, 2020 aggregates to Rs. 2,337 Lakhs (net of provision of Rs. 6,947 Lakhs). Interest on such ICDs pending proposal for necessary waiver in this respect has not been accrued during the period and steps are being taken to restructure the borrowings and related financial obligations of the Parent as well as of various group companies and necessary resolution plan in this respect is under consideration of the lenders. The company expects to workout a plan for reducing/liquidating such outstanding amount

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McLeod Russel India Limited KOL-1

synchronising the proposed restructuring of borrowing in terms of the resolution plan under consideration of lenders as given herein below in Note no. 8. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/ adjusted in due course of time and no further provision is required at this stage.

8. Operational earnings and performance of the Parent even though has improved over the period, the Parent's financial position has continued to be under stress. The Inter-Corporate Deposits given to various group 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 current resources vis-à-vis it's commitments and obligations and liquidity constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

   One of the banker has issued a notice of default and recalled the amount granted under various facilities and has commenced the proceeding before Debt recovery Tribunal (DRT) for realisation of their debt to the company. The said banker and one other lender have filed petitions under Insolvency and Bankruptcy Code, 2016 (IBC) with Hon'ble National Company Law Tribunal, Kolkata (NCLT). These petitions are however yet to be admitted by NCLT. Further, certain lenders including those concerning another group company have obtained injunction against disposal of the Parent's assets, pending settlement of their dues.

   The Parent has taken various measures to overcome the financial constraints, which inter-alia include reduction in operational costs, monetising the Company's/group's assets including holding of other group companies and also proposal for restructuring/reducing the borrowings so that to make them sustainable and rationalising the costs thereof and infusing liquidity in the system over a period of time.

   The Resolution process of stressed assets vide circular dated June 07, 2019 issued by the Reserve Bank of India has been initiated by the lenders. The lenders have appointed an Independent professional for carrying out Techno Economic Viability (TEV) study and valuers for carrying out the valuation of the company. Further SBI Capital Markets Limited, one of the leading investment banker and adviser has been appointed by the lender to work out and recommend resolution plan and possible course of action on the matter. The professionals so appointed have submitted their reports including the Draft Resolution Plan which is pending before lenders for their consideration and decision.

   The management is confident that with the lenders support in restructuring their debt and related and other cost reductions, etc. and other ameliorative measures taken, the Parent will be able to restructure/reduce its outstanding amount of loan receivable in line with the same and 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 as on this date, the consolidated financial results have been prepared on going concern basis.

9. The predecessor auditors' have issued an adverse opinion on the Consolidated financial results for the year ended March 31, 2019. These matters include the issues relating to Inter-Corporate Deposits to companies including certain cases considered by them to be in the nature of book entries, being in excess of the limit prescribed under Section 186 of the Companies Act, 2013 ('the Act'). This includes amounts given to group companies whereby applicability of Section 185 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of 2,84,610 Lakhs given to various parties as given in Note no. 7 are outstanding as on March 31, 2020. This will therefore be required to be approved by the shareholders under Section 186 of the Act, since necessary approval could not be obtained earlier. Information required by relevant authorities including Registrar of Companies have been provided and directions, if any received on conclusion of the proceeding will be dealt with appropriately to ensure necessary compliances. These matters are procedural in nature and/or are subject to the decision by the authorities and do not have any impact as such on the profit or loss for the period.

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Russell India Limited KOL-1

10. Remuneration to the extent of Rs. 920 Lakhs paid to Managing Director for the period from April 01, 2017 to March 31, 2020 paid by the Parent has become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Accordingly, the said amount being held in trust has been recognised as advances under "Loans" pending recovery/adjustment in due course of time.

11. (a) Pending completion of debt restructuring process and consequential adjustment in this respect as per Note No. 8 above, Interest on borrowings have been provided on simple interest based at 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 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 final decision to be arrived at in this respect. Adjustments, if any required in this respect will be recognised on determination thereof and will be given effect to in the consolidated financial results.

    (b) Interest on Inter Corporate Deposits and Loan from financial institution by the Parent has not been recognised to the extent of Rs. 2,150 lakhs pending finalisation of debt resolution process.

12. In case of Parent certain debit and credit balances including inter-unit and other clearing balances, trade and other receivables/ Payables, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea garden are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

13. Deferred Taxation includes Asset on account of MAT Credit Entitlement amounting to Rs. 2,091 lakhs has been recognised during the quarter by the Parent. The said entitlement aggregates to Rs. 5,154 is based on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income.

14. In view of Sale of Specified Assets pertaining to Tea Estates in the previous year as well as in current period (as stated in Note no. 4) and disposal of certain subsidiaries/associates (as stated in Note no. 2) and non-availability of figures in certain cases as given in Note 2(a) above, figures of the previous periods are not comparable with the figures of current period.

15. Consequent to the outbreak of COVID-19, which has been declared as a pandemic by World Health Organisations (WHO), Government of India has declared a lock down effective from March 24, 2020. The Parent's operation have been affected due to loss of more than a month's production due to the suspension of the operation, disruption in supply chain and non-availability of personnel during lock down. Though the garden operation have resumed in the first week of May 2020, additional costs for upkeep, skiffing of unwanted produce, manuring and other related costs for up bringing of the leaves for plucking has to be incurred. However, the production due to continuing problem with respect to availability and deployment of manpower, etc. and other logistic support is yet to be normalised. Operations especially at gardens and warehouses are still affected and expected to be normalised over the period of time.

    The Parent has taken steps towards rationalising it's employee related and other fixed cost. The prices of tea and realisation there against have improved due to supply mismatch in the current situation. Accordingly, the company has revised it's business projections based on internal and external information and possible assumptions and estimates in the given situation and circumstances. The Parent has assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, supply chain and demand for its products and on the carrying value of various current and non-current assets and no material impact on the financial results are expected to arise. The actual impact of the global health pandemic may be different from that which has been estimated. The Company will continue to closely monitor the situation and any variation due to the changes in situations will then be taken into consideration.

Lodha & Co. Chartered Accountants Kolkata

McLeod Russel India Limited KOL-1

16. The figures for the quarters ended March 31, 2020 and March 31 , 2019 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended December 31 of the respective years which were subject to limited review by the Statutory Auditors.

For McLeod Russel India Limited

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

Place: Kolkata
Dated: July 31, 2020

McLeod Russel India Limited KOL-1

LODHA & CO. KOLKATA Chartered Accountants

McLeod Russel India Limited

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Consolidated Financial Results

Statement on Impact of Audit Qualifications on Consolidated Financial Results for the Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in Lakh)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications to the extent ascertainable)
	1	Turnover / Total income	1,17,440	1,17,440
	2	Total Expenditure	1,40,792	1,42,942
	3	Net Profit/(Loss)	(14,779)	(16,929)
	4	Earnings Per Share	(14.15)	(16.21)
	5	Total Assets	4,93,524	4,93,524
	6	Total Liabilities	3,08,082	3,10,232
	7	Net Worth	1,85,442	1,83,292
	8	Any other financial item(s)	-	-

II..

Audit Qualification (each audit qualification separately):
Qualification-1

a. Details of Audit Qualification:	Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,947 lakhs as on March 31, 2020 (including Interest of Rs. 2,337 lakhs accrued till March 31, 2019) given to certain companies are subject to compliances, as required under Companies Act, 2013 ('the Act'). The amount outstanding as on this date as given above is doubtful of recovery. In absence of provision there against, the loss for the period is understated to that extent. Impact in this respect have not been ascertained and disclosed in the consolidated financial results.
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	The Parent Company expects to work out a plan for restructuring including reducing/liquidating such outstanding amount synchronising the proposed restructuring of borrowings in terms of the resolution plan under consideration of lenders.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	ICD are subject to compliances
(i) Management's estimation on the impact of audit qualification:	Estimation is not applicable
(ii) If management is unable to estimate the impact, reasons for the same:	This is a procedural matter under Companies Act.
(iii) Auditors' Comments on (i) or (ii) above:	

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MCLEOD RUSSEL INDIA LIMITED Kolkata

Audit Qualification (each audit qualification separately): **Qualification-2**	
a. Details of Audit Qualification:	The Parent had given advance in earlier year to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on March 31, 2020. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Efforts are being made to recover the advance.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil
(i) Management's estimation on the impact of audit qualification:	Not applicable
(ii) If management is unable to estimate the impact, reasons for the same:	Not applicable
(iii) Auditors' Comments on (i) or (ii) above:	
Audit Qualification (each audit qualification separately): **Qualification-3**	
a. Details of Audit Qualification:	Non-recognition of Interest by the Parent Company Rs 2,150 Lakh on inter-corporate borrowings and thereby the loss for the period is understated to that extent. Further as stated in penal/compound interest against borrowings from banks/financial institution of the Parent Company have not been recognised and other adjustments as stated in the said note have been given effect to which is subject to confirmation from bankers and reconciliation with their balances. Pending final determination of amount in this respect, adjustments arising therefrom and consequential impact has not been ascertained
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	There are disputes regarding the interest on inter-corporate borrowings of the Parent Company. Therefore interest expenditure has not been accounted on inter-corporate borrowings of the Parent Company pending resolution of the same.
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not quantifiable at this stage.
(ii) If management is unable to estimate the impact, reasons for the same:	Penal interest / compound interest has not been confirmed by banks of the Parent Company. In any case, interest would be restructured under Debt-Resolution-Plan.
(iii) Auditors' Comments on (i) or (ii) above:	

LODHA & CO. KOLKATA Chartered Accountants

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McLEOD RUSSEL INDIA LIMITED Kolkata

Audit Qualification (each audit qualification separately): **Qualification-4**	
a. Details of Audit Qualification:	Reconciliation of certain debit and credit balances with individual details in the Parent Company and confirmation thereof are pending. Adjustments/Impact in this respect are currently not ascertainable and as such cannot be commented upon by auditors.
b. Type of Audit Qualification:	Adverse
c. Frequency of qualification:	First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not quantified
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not quantifiable
(ii) If management is unable to estimate the impact, reasons for the same:	Impact will become ascertainable only upon reconciliations and confirmations in the Parent Company.
(iii) Auditors' Comments on (i) or (ii) above:	Nil KOLKATA Chartered Accountants

McLEOD RUSSEL INDIA LIMITED Kolkata

Audit Qualification (each audit qualification separately): **Qualification-5**	
a. Details of Audit Qualification:	the predecessor auditor in respect of the financial results for the year ended March 31, 2019 in respect of loans referred to in paragraphs (a) above have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Company in accordance with paragraph 10 of IND AS-24 "Related Party Disclosures". These loans are outstanding as on this date and uncertainty in this respect still exists. As represented by the management the parties involved are not related parties requiring disclosure in terms of said accounting standard and provisions of companies act 2013.The matter as reported is pending before regulatory authorities. We are therefore, unable to ascertain the impact of non-compliance with the disclosure and other requirements in respect of related parties and consequential impact, if any, on the consolidated financial results of the Parent.
b. Type of Audit Qualification :	Adverse
c. Frequency of qualification:	Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not quantified
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	Not quantifiable
(ii) If management is unable to estimate the impact, reasons for the same:	The matter as reported is pending before regulatory authorities.
(iii) Auditors' Comments on (i) or (ii) above:	Nil

III. **Signatories:**

- Managing Director

(Aditya Khaitan)

- Chief Financial Officer

(Pradip Bhar)

- Audit Committee Chairman

ARUNDHUTI DHAR Digitally signed by ARUNDHUTI DHAR Date: 2020.07.31 21:22:37 +05'30'

(Arundhuti Dhar)

- Statutory Auditors

For Lodha & Co,
Chartered Accountants

R.P.Singh
(R.P. Singh)
(Partner)

McLEOD RUSSEL INDIA LIMITED Kolkata

LODHA & CO KOLKATA Chartered Accountants

Place: Kolkata

Date: July 31, 2020