LODHA
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Chartered Accountants

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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, 2021 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, 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, do 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, 2021 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. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,84,338 lakhs as on March 31, 2021 (including Interest of Rs. 1,942 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. In absence of provision there against, the loss for the year is understated to that extent. Impact in this respect have not been ascertained by the management and recognised in the financial results;

b) The Company had given advance to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on March 31, 2021. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances;

c) Note No. 7(b) regarding non-recognition of Interest on Inter Corporate Deposits taken by the company and thereby the loss for the year is understated to the extent indicated in said note. Further, as stated in Note no. 7(a), penal/compound interest and other adjustments in respect of borrowings from banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount in this respect, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;

d) Note no 8 regarding non reconciliation of certain debit and credit balances with individual details and confirmations etc. other than borrowings dealt with in Note no. 7(a). Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us;

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e) As stated in Note no. 6, the predecessor auditor in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They 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". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the company. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the company are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.

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.

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

These 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 loss for the year ended March 31, 2021 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.

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.

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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.

Other Matters

a) Attention is drawn to Note no. 5 of the financial results dealing with going concern assumption for preparation of the financial results of the Company. The Company's current liabilities exceeded its current assets. The matters forming part of and dealt with under Basis for Adverse Opinion above may have significant impact on the net worth of the company. Loans given to other companies have remained unpaid. Amount borrowed could not be repaid as stipulated and other obligations could not be met as well due to insufficiency of resources. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the financial results of the Company due to the reasons stated in the said Note has been prepared by management on going concern basis, based on the management's assessment of the expected successful outcome of the steps and measures including those concerning restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and

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adjustments/restructuring of outstanding loans receivables in sync with said plan as dealt with in Note no. 5 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 thereof including on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.

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. 1 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. 9 lakhs as at March 31, 2021 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 the said Chartered Accountant.

c) These financial results include the results for the quarter ended March 31, 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 of the relevant financial year. These figures were subject to limited review by us as required under the Listing Regulations.

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

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

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R. P. Singh

Place: Kolkata
Date: June 23, 2021

R. P. Singh
Partner
Membership No: 52438
UDIN: 21052438AAAACD4807

McLEOD RUSSEL INDIA LIMITED

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CIN: L51109WB1998PLC087076

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs except for EPS)

	Particulars	Standalone				
		Quarter ended			Financial Year ended	
		March 31, 2021 (Audited) Refer Note no. 10(b))	December 31, 2020 (Unaudited)	March 31, 2020 (Audited) Refer Note no. 10(b))	March 31, 2021 (Audited)	March 31, 2020 (Audited)
1	Revenue from Operations	22,725	36,495	15,531	1,11,187	85,670
2	Other Income	550	16	436	848	9,317
	Total Income (1 + 2)	**23,275**	**36,511**	**15,967**	**1,12,035**	**94,987**
3	**Expenses**					
	a) Cost of Materials Consumed	1,424	3,170	52	10,335	1,443
	b) Changes in Inventories of Finished Goods	15,363	5,209	12,858	(818)	2,547
	c) Employee Benefits Expense	10,344	11,428	8,401	53,114	51,485
	d) Finance Costs	3,383	4,926	2,309	18,720	21,441
	e) Depreciation and Amortisation Expenses	1,721	1,379	1,841	7,075	6,247
	f) Other Expenses	7,235	9,991	5,350	32,029	26,392
	Total Expenses	**39,470**	**36,103**	**30,811**	**1,20,455**	**1,09,555**
4	**Profit/(Loss) before Exceptional items and Tax (1+2-3)**	**(16,195)**	**408**	**(14,844)**	**(8,420)**	**(14,568)**
5	**Exceptional items**	-	-	-	-	**11,769**
6.	**Profit/(Loss) before Tax (4+5)**	**(16,195)**	**408**	**(14,844)**	**(8,420)**	**(2,799)**
7.	**Tax Expense**					
	a) Current Tax	(374)	317	-	-	-
	b) Tax relating to earlier years (net)	1,778	-	-	1,778	-
	c) Deferred Tax	(5,319)	(9)	(7,268)	(4,915)	(4,026)
8	**Profit/(Loss) for the period (6-7)**	**(12,280)**	**100**	**(7,576)**	**(5,283)**	**1,227**
9	**Other Comprehensive Income**					
	A i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of post-employment defined benefit plans	340	(702)	9	(1,765)	(2,278)
	b)Change in Fair Value of Equity instruments through other comprehensive income	1,430	1,178	(90)	4,221	(2,910)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	(108)	224	(3)	565	729
	Total Other Comprehensive Income/(Loss)	**1,662**	**700**	**(84)**	**3,021**	**(4,459)**
	Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (8+9)	**(10,618)**	**800**	**(7,660)**	**(2,262)**	**(3,232)**
10	**Earnings per Equity Share (EPS) (Rs.) (not annualised)** Basic and Diluted	(11.76)	0.10	(7.26)	(5.06)	1.17
11	**Paid-up Equity Share Capital : Face Value : Rs. 5/- per share**	5,223	5,223	5,223	5,223	5,223
12	**Other Equity excluding Revaluation Reserve**	-	-	-	1,28,136	1,27,938

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McLEOD RUSSEL INDIA LTD. KOLKATA

Annexure I

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2021 (Audited)	March 31, 2020 (Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	95,294	1,00,346
Capital Work-in-Progress	5,814	5,277
Other Intangible Assets	944	1,200
Financial Assets		
Investments		
-Investment in Subsidiary	15,967	15,967
-Other Investments	5,303	1,081
Loans	2,83,733	2,85,975
Other Financial Assets	5,016	4,767
Other Non-current Assets	2,316	2,176
Sub-total -Non-Current Assets	4,14,387	4,16,789
Current Assets		
Inventories	8,273	5,860
Biological Assets othe than Bearer Plants	409	-
Financial Assets		
Trade Receivables	1,623	1,537
Cash and Cash Equivalents	8,941	1,572
Other Bank Balances	170	280
Loans	1,096	750
Other Financial Assets	1,563	1,769
Current Tax Assets (Net)	1,041	7,007
Other Current Assets	5,394	5,048
Sub-total - Current Assets	28,510	23,823
TOTAL ASSETS	4,42,897	4,40,612
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	5,223	5,223
Other Equity	1,56,681	1,58,942
Sub-total - Equity	1,61,904	1,64,165
Liabilities		
Non-current Liabilities		
Financial Liabilities		
Borrowings	1,000	5,269
Other Financial Liabilities	203	555
Provisions		
Employee Benefit Obligations	5,112	3,631
Deferred Tax Liabilities (Net)	6,954	12,434
Other Non-current Liabilities	461	474
Sub-total- Non-Current Liabilities	13,730	22,363
Current Liabilities		
Financial Liabilities		
Borrowings	1,82,543	1,87,161
Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	7,641	7,249
Other Financial Liabilities	60,846	43,138
Other Current Liabilities	8,042	8,714
Provisions		
Employee Benefit Obligations	3,653	3,747
Other Provisions	1,185	1,007
Current Tax Liabilities (Net)	3,353	3,068
Sub-total- Current Liabilities	2,67,263	2,54,084
TOTAL LIABILITIES	2,80,993	2,76,447
TOTAL EQUITY AND LIABILITIES	4,42,897	4,40,612

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McLEOD RUSSEL INDIA LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

Annexure II

(Rs. In Lakhs)

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020	
A. Cash Flow from operating activities				
Net Profit Before Tax		(8,420)		(2,799)
Adjustments to reconcile profit for the year to net cash generated from operating activities:-				
Finance Cost	18,720		21,441	
Depreciation and Amortisation Expense	7,075		6,247	
Exceptional Items	-		(11,769)	
Loss/(Profit) on Sale of Property, Plant and Equipment	(29)		(29)	
Deffered Income	(273)		(296)	
Interest Income on loans, deposits, overdue debts etc.	(669)		(1,998)	
Provision/ Liabilities no longer required written back	(1,224)		(195)	
Profit on Compulsory acquisition of Land by Govt.	(116)		179	
Changes in fair value of Biological Assets	(409)		454	
Dividend on Long Term Trade Investments	-		(6,670)	
Bad Debts/advances written off	222		-	
Provision for Doubtful Debts /Advances/Int receivable	26		-	
Provision for TDS not deposited by parties	-		514	
Net Unrealised (Gain)/Loss on Foreign Currency Translation and Derivative at Fair Value through Profit and Loss	(74)	23,249	(712)	7,166
Operating Profit before Working Capital changes		14,829		4,367
Adjustments for :				
(Increase) / decrease in Loans, Other Financial Assets	(360)		(294)	
(Increase) / decrease in Trade Receivables	121		190	
(Increase) / decrease in Inventories	(2,413)		3,492	
Increase / (decrease) in Other non-financial Liabilities and provisions	(810)		285	
(Increase) / decrease in Other current and Non-Financial Assets	38		800	
Increase / (decrease) in Trade Payables and other financial Liabilities	(582)	(4,006)	(9,978)	(5,505)
Cash Generated/(Used) from Operations		10,823		(1,138)
Income taxes (Paid)/ Refund (Net)		4,473		857
Net cash generated/(used) from Operating Activities		15,296		(281)
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	(2,493)		4,527	
Sale Proceeds from Property, Plant and Equipment	(384)		18,787	
Interest Received	651		7,480	
(Increase) / decrease in Bank Balances other than Cash and cash	40		785	
Dividend on Long Term Trade Investments	-		6,670	
(Purchase)/ Sale of Non-Current Investments (Net)	-		6,829	
(Increase) / decrease in Inter-Corporate Deposits	2,214		(1,10,141)	
Net cash generated/(used) in Investing Activities		28		(65,063)
C. Cash Flow from Financing Activities				
Long Term Borrowings-Receipts/(Repayments)[Net]	(1,307)		(6,042)	
Short Term Borrowings-Receipts/(Repayments)[Net]	(4,618)		52,948	
Interest Paid	(1,606)		(10,100)	
Payment of Lease Liability	(341)		(477)	
Dividends (including corporate dividend tax)	(83)		(71)	
Net Cash from/(used) in Financing Activities		(7,955)		36,258
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		7,369		(29,086)
Opening Cash and Cash Equivalents		1,572		30,658
Closing Cash and Cash Equivalents		8,941		1,572

Notes

		As at March 31, 2021	As at March 31, 2020
1	**Components of Cash and Cash Equivalents**		
	Cash On Hand	452	235
	Balances with Banks	-	-
	In Current Account	8,489	1,334
	Remittance in Transit	-	3
		8,941	1,572
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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Notes to Standalone Audited Financial Results for the Quarter and Year ended March 31, 2021

1. The above Audited financial result for the quarter and year ended March 31, 2021 (hereinafter referred to as "Financial Results") includes Statement of Assets and Liabilities as on March 31, 2021 ("Annexure I") and Cash Flow for the year ended March 31, 2021 ("Annexure II") attached herewith. These financial results have been compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and have been reviewed by the Audit Committee and approved by the Board of Directors on June 23, 2021. The Financial Results have been subjected to Audit by the Statutory Auditors

2. (a) Cost of materials consumed represents green leaf purchased from external sources.

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

3. a) Exceptional Items for the year ended March 31,2020 includes:
   i) Profit on sale of assets amounting to Rs. 4,004 Lakhs against sale of specified assets of three tea estates as approved by the shareholders on August 09, 2018 for an aggregate consideration of Rs 15,045 Lakhs;
   ii) Loss of Rs. 238 Lakhs arising on sale of part of a building belonging to the Company being sold to a financial institution at a consideration of Rs. 4,477 Lakhs which was adjusted against their outstanding dues; and
   iii) Profit of Rs. 8,003 Lakhs arising on buy-back of shares by it's subsidiary Borelli Tea Holdings Limited (UK) (BTHL) which had bought back 1,10,000 shares (out of total 3,62,000 shares held by the company) for an aggregate consideration of GBP 170,50,000.

   b) Deferred Tax Liability is net of MAT Credit Entitlement of Rs. 3,048 lakhs continued to be recognised as on March 31, 2021 based on management's assessment of reasonable certainty for reversal/ utilisation thereof considering projected taxable income in future.

   c) Remuneration to the extent of Rs. 339 Lakhs (net of recovery of Rs. 358 lakhs thereagainst) paid to Managing Director for the period from April 01, 2016 to March 31, 2017 and April 01, 2018 to March 31, 2020 which had become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Further, during the year the company has paid Remuneration of Rs. 441 lakhs to Managing Director and Wholetime Director decided in by the Shareholder vide their special resolution in the Annual General Meeting (AGM) dated December 02, 2020. The company prior to the AGM as required in terms of Schedule V of the Companies Act, 2013 has made Application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances under "Loans", pending recovery/adjustment in due course of time.

4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,82,396 Lakhs as at March 31, 2021 (March 31, 2020: Rs. 2,84,610 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on March 31, 2021 aggregates to Rs. 1,942 Lakhs (March 31, 2020: Rs. 2,337 Lakhs) (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to their repayment capabilities and pending finalisation of terms and conditions on approval of the resolution plan and determination of amount thereof, has not been accrued in the previous as well as in the current year. Over and above, the company has issued letters of comfort to lenders of these companies. Steps are being taken to restructure the borrowings and related financial obligations of the company and necessary resolution plan as stated in Note no. 5 below in this respect is under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage. Any

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adjustments required consequent to finalisation of resolution plan will be given effect to on determination of the amount thereof.

5. 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 (ICDs) 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 resources vis-à-vis it's commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

   Various measures to overcome the financial constraints, which inter-alia include reduction in operational costs, monetising the Company's/group's assets including equity holding in 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 have been continued during the year.

   One of the banker had issued a notice of default and recalled the amount granted under various facilities and had commenced the proceeding before Debt recovery Tribunal (DRT) for realisation of their debt to the company. The said banker and one other lender had filed petitions under Insolvency and Bankruptcy Code, 2016 (IBC) with Hon'ble National Company Law Tribunal, Kolkata (NCLT). These petitions and consequential proceedings under IBC 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.

   Meanwhile, lenders initiated the Resolution process of the company in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Pursuant to such resolution process, Techno Economic Viability (TEV) study and valuation of the company have been carried out by independent professional. Further, SBI Capital Markets Limited, one of the leading investment banker has prepared the plan and submitted it's recommendations concerning the resolution plan and the same is under consideration of the lenders as on this date. The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders has been completed and finding on utilisation of funds borrowed have been accepted by the lenders during the year. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been confirmed and signed by certain lenders and is in the process of being approved by remaining lenders. The lenders prior to finalisation and approving the resolution plan are in process of re-vetting of the TEV Study and also obtaining the possible credit rating of the company subsequent to the resolution plan being implemented as recommended by SBI Capital Markets Limited.

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

6. The predecessor auditors' had issued an adverse opinion on the audited financial results for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,82,396 Lakhs given to various parties as given in Note no. 4 are outstanding as on March 31, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities including Registrar of Companies. Information required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.

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7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending for approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the financial results.

   (b) Interest on Inter Corporate Deposits taken by the company has not been recognised to the extent of Rs. 4,615 Lakhs (including Rs. 2,337 Lakhs for the year) pending finalisation of debt resolution process.

8. Certain debit and credit balances other than borrowings dealt with in Note no. 7(a) including inter-unit and other clearing balances, other receivables/ Payables including identification of MSME, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea estates are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

9. The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial results, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property, plant and equipments, receivables, intangible assets, cash and cash equivalents and investments. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that no adjustment in the carrying amount of assets and liabilities is expected to arise. The Company continues to monitor future economic conditions and its consequent impact on the business operations, given the uncertain nature of the pandemic.

10. (a) The observations concerning Auditors' Opinion on the standalone financial statements for the year ended March 31, 2020 and on the unaudited financial results for the nine months ended December 31, 2020 have been dealt with under Para 4 to 8 above. During the year, the company has obtained Shareholders' approval specifying the limit with respect to loans, guarantees and investments made or given by the company under Section 186 of the Companies Act, 2013 including ratification of such loans etc. made in earlier years. Other matters relate to and are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent periods.

    (b) The figures for the quarters ended March 31, 2021 and March 31, 2020 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.

    (c) Figures for the previous periods have however, been regrouped/ rearranged, wherever necessary to confirm to the current periods' presentation.

For McLeod Russel India Limited

LODHA & CO. KOLKATA Chartered Accountants

Place: Kolkata
Dated: June 23, 2021

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

McLEOD RUSSEL INDIA LTD. KOLKATA

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, 2021 [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	1,12,035	1,12,035
	2	Total Expenditure	1,20,455	1,25,070
	3	Net Profit/(Loss)	(5,283)	(9,898)
	4	Earnings Per Share	(5.06)	(9.48)
	5	Total Assets	4,42,897	4,42,897
	6	Total Liabilities	2,80,993	2,85,608
	7	Total Equity	1,61,904	1,57,289
	8	Any other financial item(s)	-	-

II..

Audit Qualification (each audit qualification separately): **Qualification-1**	
a. Details of Audit Qualification:	Inter Corporate Deposits (ICD's) aggregating to Rs. 2,84,338 lakhs as on March 31, 2021 (including Interest of Rs. 1,942 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. In absence of provision there against, the loss for the year is understated to that extent. Impact in this respect have not been ascertained by the management and recognised 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:	ICD's given have been considered doubtful of recovery by the Auditors'. However, the Company expects to work out a plan for restructuring including reducing/liquidating such outstanding amount synchronising with the proposed restructuring of borrowings in terms of the resolution plan under consideration by lenders.
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:	

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McLEOD RUSSEL INDIA LIMITED Kolkata

Qualification-2	
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, 2021. In absence of appropriate audit evidence and status thereof, they are unable to comment on the validity and recoverability of such advances and impact if any in this respect has not been ascertained.
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:	

Qualification-3	
a. Details of Audit Qualification:	Non-recognition of Interest amounting to Rs. 4,615 lakhs on Inter Corporate Deposits taken and thereby the loss for the year is understated to that extent. Further, penal/compound interest and other adjustments in respect of borrowings from banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount in this respect, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us
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:	Interest on inter-corporate borrowings have not yet been settled with the parties. 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:	Penal/compound interest and other adjustments in respect of borrowings are 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. Further, interest would be restructured under Resolution-Plan and amount payable will be ascertained and given effect to in the accounts.
(iii) Auditors' Comments on (i) or (ii) above:	

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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:	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:	Impact will become ascertainable only upon reconciliations and confirmations.
(iii) Auditors' Comments on (i) or (ii) above:	

Qualification-5	
a. Details of Audit Qualification:	The predecessor auditor in respect of loans included under Qualification-1 above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They 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". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the company. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the company are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.
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:	

III.	Signatories:

- Managing Director — For McLeod Russel India Limited

  (Aditya Khaitan)
  (DIN: 0000023788)

- Chief Financial Officer — For McLeod Russel India Limited

  (Pradip Bhar)

- Audit Committee Chairman

  (Arundhuti Dhar)
  (DIN: 0003197285)

- Statutory Auditors

  For Lodha & Co,
  Chartered Accountants

  (R.P. Singh)
  (Partner)
  Membership No: 052348)

Place: Kolkata

Date: June 23, 2021

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

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") for the year ended March 31, 2021 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 subsidiaries (including stepdown 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

   The financial results of stepdown subsidiaries (2 to 5) are consolidated with Borelli Tea Holdings Limited and consolidated accounts of Borelli Tea Holdings Limited are considered for consolidation with financial results of the Parent.

b) Except for the matter dealt with in Basis for Adverse Opinion given below, 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, do 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, 2021 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 Consolidated financial statements

a) Note no. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,84,338 lakhs as on March 31, 2021 (including Interest of Rs. 1,942 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the Parent. In absence of provision there against, the loss for the year is understated to that extent. Impact in this respect have not been ascertained by the management and recognised in the consolidated financial results.

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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, 2021. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.

c) Note No. 7(b) regarding non-recognition of Interest on Inter Corporate Deposits taken by the parent and thereby the loss for the year is understated to the extent indicated in the said note. Further, as stated in Note no. 7(a), penal/compound interest and other adjustments in respect of borrowings from banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount in this respect, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;

d) Note no 8 regarding non reconciliation of certain debit and credit balances with individual details and confirmations etc. other than borrowings dealt with in Note no. 7(a). Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us; and

e) As stated in Note no. 6, the predecessor auditor in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Group in accordance with paragraph 10 of Ind AS-24 "Related Party Disclosures". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the Parent. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the Parent are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.

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.

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, 2021 and other comprehensive income and other financial information of the Group 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 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

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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 results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 are responsible for overseeing the financial reporting process of the Group.

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 with reference to financial statement 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 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.

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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 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. 5 of the consolidated financial results dealing with going concern assumption for preparation of the financial results of the Parent. The Parent's current liabilities exceeded its current assets. The matters forming part of and dealt with under Basis for Adverse Opinion above may have significant impact on the net worth of the Group. Loan given to other companies have remained unpaid. Amount borrowed could not be repaid as stipulated and other obligations could not be met as well due to insufficiency of resources. These conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern. However, the 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 restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and adjustment/restructuring of outstanding loans receivables in sync with said plan as dealt with in Note no. 5 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 thereof including on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.

b) We did not audit the consolidated financial statements of the following subsidiary company, whose financial statements reflect total assets as at March 31, 2021, 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 auditors:

(Rs. In Lakhs)

Name of the Subsidiary	Total Assets as at March 31, 2021	Total Revenue for the year ended March 31, 2021	Net Cash Inflow/(Outflow) for the year ended March 31, 2021
Borelli Tea Holdings Limited (Consolidated)	47,604	33,541	408.27

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These consolidated 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 of the company, 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 statements/ information of one overseas office of the parent included in the consolidated financial results of the Group whose financial statements/financial information comprising of expenses to the extent of Rs. 1 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. 9 lakhs as at March 31, 2021 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 the said Chartered Accountant.

d) These consolidated financial results include the results for the quarter ended March 31, 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 of the relevant financial year. 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

R.P.Singh
R. P. Singh
Partner
Membership No: 52438
UDIN: 21052438AAAACE6811

Place: Kolkata
Date: June 23, 2021

LODHA & CO
KOLKATA
Chartered Accountants

MCLEOD RUSSEL INDIA LIMITED
Registered Office: Four Mangoe Lane, Kolkata - 700001
Web : www.mcleodrussel.com, Email Id :administrator@mcleodrussel.com, Phone no: 033-2210-1221, Fax no.: 033-2248-3683
CIN: L51109WB1998PLC087076

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(Rs. In Lakhs except for EPS)

	Particulars	Consolidated				
		Quarter ended			Financial Year ended	Financial Year ended
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Audited) Refer Note no. 10(b))	(Unaudited)	(Audited) Refer Note no. 10(b))	(Audited)	(Audited)
1	Revenue from Operations	29,863	44,754	21,502	1,43,844	1,14,301
2	Other Income	1,255	94	586	1,999	3,139
	Total Income (1 + 2)	**31,118**	**44,848**	**22,088**	**1,45,843**	**1,17,440**
3	**Expenses**					
	a) Cost of Materials Consumed	3,704	5,381	2,021	17,441	8,734
	b) Purchase of Tea	(237)	802	(151)	3,624	3,792
	c) Changes in Inventories of Finished Goods	13,926	5,659	11,077	160	2,080
	d) Employee Benefits Expense	12,186	13,103	9,796	59,692	57,686
	e) Finance Costs	3,720	5,274	2,532	20,451	22,669
	f) Depreciation and Amortisation Expenses	2,297	1,956	2,267	9,038	7,795
	g) Other Expenses	10,698	12,171	8,549	43,409	38,038
	Total Expenses	**46,294**	**44,346**	**36,091**	**1,53,815**	**1,40,794**
4	**Profit/(Loss) before share of profit, Exceptional Items and Tax (1+2-3)**	**(15,176)**	**502**	**(14,003)**	**(7,972)**	**(23,354)**
5	**Share of Profit of Associate**	-	-	-	-	40
6	**Profit/(Loss) before Exceptional Items and Tax (4+5)**	**(15,176)**	**502**	**(14,003)**	**(7,972)**	**(23,314)**
7	**Exceptional items**	-	-	(55)	-	4,398
8	**Profit/(Loss) before Tax (6+7)**	**(15,176)**	**502**	**(14,058)**	**(7,972)**	**(18,916)**
9	**Tax Expense**					
	a) Current Tax	(384)	408	93	168	365
	b) Tax relating to earlier years (net)	1,778	-	-	1,778	-
	c) Deferred Tax	(5,083)	(10)	(7,087)	(4,679)	(4,502)
10	**Profit/(Loss) for the period (8-9)**	**(11,487)**	**104**	**(7,064)**	**(5,239)**	**(14,779)**
11	**Other Comprehensive Income**					
	A i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of post-employment defined benefit plans	179	(702)	(78)	(1,926)	(2,366)
	b)Change in Fair Value of Equity Instruments through other comprehensive income	1,430	1,178	(90)	4,221	(2,910)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	(60)	224	24	613	755
	B i)Items that will be reclassified to profit or loss	-				
	a)Exchange differences on translation of foreign operations	372	(598)	57	(784)	916
	Total Other Comprehensive Income/(Loss)	**1,921**	**102**	**(87)**	**2,124**	**(3,605)**
12	**Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (10+11)**	**(9,566)**	**206**	**(7,151)**	**(3,115)**	**(18,384)**
13	**Profit/(Loss) for the period attributable to :**					
	Owners' of the Parent Company	(11,487)	104	(7,064)	(5,239)	(14,779)
	Non-controlling interests	-	-	-	-	-
14	**Other Comprehensive Income/(Loss) for the period attributable to :**					
	Owners' of the Parent Company	1,921	102	(87)	2,124	(3,605)
	Non-controlling interests	-	-	-	-	-
15	**Total Comprehensive Income for the period attributable to :**					
	Owners' of the Parent Company	(9,566)	206	(7,151)	(3,115)	(18,384)
	Non-controlling interests	-	-	-	-	-
16	**Earnings per Equity Share (EPS) (Rs.) (not annualised)**					
	Basic and Diluted	(11.00)	0.10	(6.76)	(5.02)	(14.15)
17	**Paid-up Equity Share Capital : Face Value : Rs. 5/- per share**	5,223	5,223	5,223	5,223	5,223
18	**Other Equity excluding Revaluation Reserve**	-	-	-	1,48,559	1,49,215

LODHA & CO. KOLKATA Chartered Accountants

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MCLEOD RUSSEL INDIA LTD. KOLKATA

(Rs. In Lakhs)

Segment Information:

Particulars	Consolidated				
	Quarter ended			Financial Year ended	Financial Year ended
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Segment Revenue:					
India	22,627	36,461	15,509	1,11,018	85,594
Vietnam	2,210	1,986	2,274	7,737	7,641
Uganda	5,048	5,283	3,349	20,488	16,068
UK	(5)	(16)	(528)	238	227
Others	(17)	1,040	898	4,363	4,771
Total	29,863	44,754	21,502	1,43,844	1,14,301
Segment Result:					
India	(15,552)	408	(14,866)	(7,775)	(17,547)
Vietnam	(331)	(417)	334	(1,351)	(102)
Uganda	839	377	603	1,008	(1,589)
UK	(191)	107	80	65	164
Others	59	27	(209)	81	118
Profit/(Loss) before share of profit and taxation	**(15,176)**	**502**	**(14,058)**	**(7,972)**	**(18,956)**
Share of Profit of Associate	-	-	-	-	40
Profit before Tax	**(15,176)**	**502**	**(14,058)**	**(7,972)**	**(18,916)**
Less Taxation :					
Curent tax	(384)	408	93	168	365
Income tax relating to earlier years (net)	1,778	-	-	1,778	-
Deferred tax	(5,083)	(10)	(7,087)	(4,679)	(4,502)
	(3,689)	398	(6,994)	(2,733)	(4,137)
Profit/(Loss) after taxation	(11,487)	104	(7,064)	(5,239)	(14,779)
Depreciation and amortisation relating to segments:					
India	1,721	1,379	1,841	7,075	6,247
Vietnam	102	263	78	568	538
Uganda	460	299	295	1,336	954
UK	14	14	52	56	52
Others	-	1	1	3	4
Total	2,297	1,956	2,267	9,038	7,795
Segment Assets					
India	4,43,626	4,73,457	4,43,647	4,43,626	4,43,647
Vietnam	13,246	13,214	14,410	13,246	14,410
Uganda	27,660	28,021	28,729	27,660	28,729
UK	4,502	4,407	4,305	4,502	4,305
Others	1,534	1,581	2,433	1,534	2,433
Total	4,90,568	5,20,680	4,93,524	4,90,568	4,93,524
Segment Liabilities					
India	2,80,344	2,99,664	2,78,207	2,80,344	2,78,207
Vietnam	6,023	5,470	5,658	6,023	5,658
Uganda	21,258	21,866	23,682	21,258	23,682
UK	477	444	289	477	289
Others	139	140	246	139	246
Total	3,08,241	3,27,584	3,08,082	3,08,241	3,08,082

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McLEOD RUSSEL INDIA LTD. KOLKATA

Annexure I

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(Rs. In Lakhs)

Particulars	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1,18,324	1,21,086
Capital Work-in-Progress	6,683	9,265
Goodwill on Consolidation	20,178	19,937
Other Intangible Assets	1,239	1,534
Financial Assets		
Investments		
-Other Investments	5,303	1,081
Loans	2,85,343	2,87,711
Other Financial Assets	5,056	4,794
Other Non-current Assets	2,374	2,243
Sub-total -Non-Current Assets	4,44,500	4,47,651
Current Assets		
Inventories	20,465	19,430
Biological Assets othe than Bearer Plants	499	79
Financial Assets		
Trade Receivables	3,192	3,452
Cash and Cash Equivalents	9,688	5,162
Other Bank Balances	191	280
Loans	1,097	751
Other Financial Assets	1,378	1,498
Current Tax Assets (Net)	2,397	8,355
Other Current Assets	7,161	6,866
Sub-total - Current Assets	46,068	45,873
TOTAL ASSETS	4,90,568	4,93,524
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	5,223	5,223
Other Equity	1,77,104	1,80,219
Sub-total - Equity	1,82,327	1,85,442
Liabilities		
Non-current Liabilities		
Financial Liabilities		
Borrowings	11,099	18,577
Lease Liability	203	555
Provisions		
Employee Benefit Obligations	5,876	4,265
Deferred Tax Liabilities (Net)	8,580	13,865
Other Non-current Liabilities	461	474
Sub-total- Non-Current Liabilities	26,219	37,736
Current Liabilities		
Financial Liabilities		
Borrowings	1,90,386	1,94,906
Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	10,172	8,932
Other Financial Liabilities	64,617	49,416
Other Current Liabilities	8,320	8,965
Provisions		
Employee Benefit Obligations	3,656	3,851
Other Provisions	1,185	1,007
Current Tax Liabilities (Net)	3,686	3,269
Sub-total- Current Liabilities	2,82,022	2,70,346
TOTAL LIABILITIES	3,08,241	3,08,082
TOTAL EQUITY AND LIABILITIES	4,90,568	4,93,524

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McLEOD RUSSEL INDIA LIMITED
STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

Annexure - II

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
A. Cash Flow from operating activities				
Net Profit Before Tax		(7,972)		(18,916)
Adjustment for non cash and other items:				
Finance Cost	20,451		22,669	
Depreciation and Amortisation Expense	9,038		7,795	
Exceptional Items	-		(4,398)	
Deferred Income	(29)		(29)	
Interest Income on loans, deposits, overdue debts etc.	(621)		(553)	
Provision/ Liabilities no longer required written back	(669)		(2,002)	
Profit on Compulsory acquisition of Land by Govt.	(1,224)		(195)	
Profit on Disposal of Fixed Assets (net)	(78)		233	
Changes in fair value of Biological Assets	(419)		496	
Bad Debts/advances written off	222		-	
Provision for Doubtful Debts /Advances/Int receivable	448		-	
Net Unrealised (Gain)/Loss on foreign currency translation	(784)		(885)	
Provision for TDS not deposited by parties	-		514	
Provision for Derivative Fair Value through Profit and Loss	(354)	25,981	-	23,645
Operating Profit before Working Capital changes		18,009		4,729
Adjustments for :				
(Increase) / decrease in Loans, Other Financial Assets	(755)		(2,139)	
(Increase) / decrease in Trade Receivables	472		(47)	
(Increase) / decrease in Inventories	(1,034)		4,237	
provisions	(921)		201	
(Increase) / decrease in Other current and Non-Financial Assets	234		10,224	
Liabilities	(2,783)	(4,787)	(9,275)	3,201
Cash Generated from Operations		13,222		7,930
Direct Taxes Paid (Net)		4,597		479
Cash from Operating Activities (A)		17,819		8,409
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	(3,031)		(3,869)	
Repayment of Capital Advances	-		6,500	
Sale of Property, Plant and Equipment(Incl. receivable/payable)	(377)		18,787	
Interest Received	1,000		7,481	
(Increase) / decrease in Bank Balances other than Cash and cash equivalents	19		785	
(Purchase)/ Sale of Non-Current Investments (Net)	-		6,416	
(Increase) / decrease in Inter-Corporate Deposits	2,214		(1,10,142)	
Net Cash Flow From Investing Activities (B)		(175)		(74,042)
C. Cash Flow from Financing Activities				
Long Term Borrowings-Receipts/(Repayments)[Net]	(4,835)		1,030	
Short Term Borrowings-Receipts/(Repayments)[Net]	(4,520)		52,326	
Interest Paid	(3,477)		(9,643)	
Payment of Lease Liability	(243)		(477)	
Dividends (including corporate dividend tax)	(83)		(7,057)	
Net Cash Flow From Financing Activities (C)		(13,158)		36,179
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		4,486		(29,454)
Unrealised (Loss)/Gain on foreign Currency Cash and Cash Equivalent		40		2
Cash and Cash Equivalent as at Beginning of Year		5,162		34,614
Cash and Cash Equivalent as at End of the Year		9,688		5,162

Notes

1 **Components of Cash and Cash Equivalents**	As at March 31, 2021		As at March 31, 2020	
Cash On Hand		492		382
Balances with Banks				
In Current Account		9,196		4,776
Remittance in Transit		-		4
		9,688		5,162

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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Notes to Consolidated Audited Financial Results for the quarter and year ended March 31, 2021

1. (a) The above consolidated financial results of McLeod Russel India Limited ('the Parent Company') and its subsidiaries (together referred to as the 'Group') for the quarter and year ended March 31, 2021 (hereinafter referred to as "Consolidated Financial Results") includes Consolidated Statement of Assets and Liabilities as on March 31, 2021 ("Annexure I") and Consolidated Cash Flow for the year ended March 31, 2021 ("Annexure II") attached herewith. These consolidated financial results have been compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and have been reviewed by the Audit Committee and approved by the Board of Directors on June 23, 2021. The consolidated financial results have been subjected to Audit by the Statutory Auditors.

   (b) The consolidated financial results for the quarter and year ended March 31, 2021 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).

   (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 year ended March 31, 2020, these shares had been sold and profit realised there against amounting to Rs. 1,549 Lakhs had been adjusted against Other Equity.

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

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

3. (a) Exceptional Items for the quarter and year ended March 31,2020 includes:
   i) Profit on sale of assets amounting to Rs. 4,004 Lakhs against sale of specified assets of three tea estates as approved by the shareholders on August 09, 2018 for an aggregate consideration of Rs 15,045 Lakhs;
   ii) Loss of Rs. 238 Lakhs arising on sale of part of a building belonging to the Company being sold to a financial institution at a consideration of Rs. 4,477 Lakhs which was adjusted against their outstanding dues; and
   iii) Profit of Rs. 632 Lakhs arising from disposal off Parent's subsidiary Borelli Tea Holding Limited balance shareholding of 45 shares for a consideration of USD 78,73,963 in Pfunda Tea Company Limited

   b) Deferred Tax Liability is net of MAT Credit Entitlement of Rs. 3,048 Lakhs continued to be recognised as on March 31, 2021 based on management's assessment of reasonable certainty for reversal/ utilisation thereof considering projected taxable income in future.

   c) Remuneration to the extent of Rs. 339 Lakhs (net of recovery of Rs. 358 lakhs thereagainst) paid to Managing Director of the Parent for the period from April 01, 2016 to March 31, 2017 and April 01, 2018 to March 31, 2020 which had become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Further, during the year the company has paid Remuneration of Rs. 441 lakhs to Managing Director and Wholetime Director decided in by the Shareholder vide their special resolution in the Annual General Meeting (AGM) dated December 02, 2020. The Parent prior to the AGM as required in terms of Schedule V of the Companies Act, 2013 has made Application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances under "Loans", pending recovery/adjustment in due course of time.

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4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies by the parent, the amount outstanding aggregates to Rs. 2,82,396 Lakhs as at March 31, 2021 (March 31, 2020: Rs. 2,84,610 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on March 31, 2021 aggregates to Rs. 1,942 Lakhs (March 31, 2020: Rs. 2,337 Lakhs) (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to their repayment capabilities and pending finalisation of terms and conditions on approval of the resolution plan and determination of amount thereof, has not been accrued in the previous as well as in the current year. Over and above, the parent has issued letters of comfort to lenders of these companies. Steps are being taken to restructure the borrowings and related financial obligations of the Parent and necessary resolution plan as stated in Note no. 5 below in this respect is under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage. Any adjustments required consequent to finalisation of resolution plan will be given effect to on determination of the amount thereof.

5. 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 (ICDs) 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 resources vis-à-vis it's commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

   Various measures to overcome the financial constraints, which inter-alia include reduction in operational costs, monetising the Parent's/group's assets including equity holding in 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 have been continued during the year.

   One of the banker had issued a notice of default and recalled the amount granted under various facilities and had commenced the proceeding before Debt recovery Tribunal (DRT) for realisation of their debt to the parent. The said banker and one other lender had filed petitions under Insolvency and Bankruptcy Code, 2016 (IBC) with Hon'ble National Company Law Tribunal, Kolkata (NCLT). These petitions and consequential proceedings under IBC 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.

   Meanwhile, lenders initiated the Resolution process of the Parent in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Pursuant to such resolution process, Techno Economic Viability (TEV) study and valuation of the Parent have been carried out by independent professional. Further, SBI Capital Markets Limited, one of the leading investment banker has prepared the plan and submitted it's recommendations concerning the resolution plan and the same is under consideration of the lenders as on this date. The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders has been completed and finding on utilisation of funds borrowed have been accepted by the lenders during the year. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been confirmed and signed by certain lenders and is in the process of being approved by remaining lenders. The lenders prior to finalisation and approving the resolution plan are in process of re-vetting of the TEV Study and also obtaining the possible credit rating of the Parent subsequent to the resolution plan being implemented as recommended by SBI Capital Markets Limited.

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

6. The predecessor auditors' had issued an adverse opinion on the consolidated audited financial results for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,82,396 Lakhs given to various parties as given in Note no. 4 are outstanding as on March 31, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities including Registrar of Companies. Information required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.

7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings in case of Parent have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending for approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the consolidated financial results.

   (b) Interest on Inter Corporate Deposits taken by the Parent has not been recognised to the extent of Rs. 4,615 Lakhs (including Rs. 2,337 Lakhs for the year) pending finalisation of debt resolution process.

8. In case of Parent, certain debit and credit balances other than borrowings dealt with in Note no. 7(a) including inter-unit and other clearing balances, other receivables/ Payables including identification of MSME, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea estates are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

9. The Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated financial results, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property, plant and equipments, receivables, intangible assets, cash and cash equivalents and investments. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that no adjustment in the carrying amount of assets and liabilities is expected to arise. The Group continues to monitor future economic conditions and its consequent impact on the business operations, given the uncertain nature of the pandemic.

10. (a) The observations concerning Auditors' Opinion on the Consolidated financial Results for the year ended March 31, 2020 and on the unaudited consolidated financial results for the nine months ended December 31, 2020 have been dealt with under Para 4 to 8 above. During the year, the parent has obtained Shareholders' approval specifying the limit with respect to loans, guarantees and investments made or given by the company under Section 186 of the Companies Act, 2013 including ratification of such loans etc. made in earlier years. Other matters relate to and are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent periods.

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(b) The figures for the quarters ended March 31, 2021 and March 31, 2020 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.

(c) Figures for the previous periods have however, been regrouped/ rearranged, wherever necessary to confirm to the current periods' presentation.

For McLeod Russel India Limited

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

Place: Kolkata
Dated: June 23, 2021

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 Results for the Financial Year ended March 31, 2021 [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	1,45,843	1,45,843
	2	Total Expenditure	1,53,815	1,58,430
	3	Net Profit/(Loss)	(5,239)	(9,854)
	4	Earnings Per Share	(5.02)	(9.43)
	5	Total Assets	4,90,568	4,90,568
	6	Total Liabilities	3,08,241	3,12,856
	7	Total Equity	1,82,327	1,77,712
	8	Any other financial item(s)	-	-

II..

Audit Qualification (each audit qualification separately): Qualification-1	
a. Details of Audit Qualification:	Inter Corporate Deposits (ICD's) aggregating to Rs. 2,84,338 lakhs as on March 31, 2021 (including Interest of Rs. 1,942 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the Parent. In absence of provision there against, the loss for the year is understated to that extent. Impact in this respect have not been ascertained by the management and recognised 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:	ICD's given have been considered doubtful of recovery by the Auditors'. However, the Parent expects to work out a plan for restructuring including reducing/liquidating such outstanding amount synchronising with the proposed restructuring of borrowings in terms of the resolution plan under consideration by lenders.
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:	

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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, 2021. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances and impact if any in this respect has not been ascertained.
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:	

Qualification-3	
a. Details of Audit Qualification:	Non-recognition of Interest amounting to Rs. 4,615 lakhs on Inter Corporate Deposits taken by the Parent and thereby the loss for the year is understated to that extent. Further, penal/compound interest and other adjustments in respect of borrowings from banks/financial institution have not been recognised by the Parent and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount in this respect, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us
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:	Interest on inter-corporate borrowings have not yet been settled with the parties. 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:	Penal/compound interest and other adjustments in respect of borrowings are 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. Further, interest would be restructured under Resolution-Plan and amount payable will be ascertained and given effect to in the accounts.
(iii) Auditors' Comments on (i) or (ii) above:	

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McLEOD RUSSEL INDIA LIMITED Kolkata

Qualification-4	
a. Details of Audit Qualification:	Non reconciliation of certain debit and credit balances by the Parent 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:	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:	Impact will become ascertainable only upon reconciliations and confirmations.
(iii) Auditors' Comments on (i) or (ii) above:	

Qualification-5	
a. Details of Audit Qualification:	The predecessor auditor in respect of loans included under Qualification-1 above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They have not been able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Group in accordance with paragraph 10 of Ind AS-24 "Related Party Disclosures". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the Parent. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the company are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.
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 — For McLeod Russel India Limited

  (Aditya Khaitan)
  (DIN: 0000023788)

- Chief Financial Officer — For McLeod Russel India Limited

  (Pradip Bhar)

- Audit Committee Chairman

  (Arundhuti Dhar)
  (DIN: 0003197285)

- Statutory Auditors

  For Lodha & Co,
  Chartered Accountants

  R.P. Singh

  (R.P. Singh)
  (Partner)
  Membership No: 052348)

Place: Kolkata

Date: June 23, 2021