



McLEOD RUSSEL

Believe in tea

12 November 2021

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

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

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

Dear Sirs,

Sub: Outcome of Meeting of the Board of Directors held on 12th November 2021

This is to inform you that the Board at its Meeting held today i.e., the 12th November 2021 have inter-alia, approved the following:

- (i) pursuant to Regulation 30 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and six months ended 30th September, 2021 along with "Limited Review Report" submitted by M/s. Lodha & Co, Chartered Accountants, Statutory Auditors of the Company, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015. A copy of the same is enclosed herewith.
- (ii) The Twenty Third Annual General Meeting of the Company for the financial year ended 31st March 2021 scheduled to be held on Monday, 20th December 2021.

Time of Commencement of Meeting: 16:30 P.M.

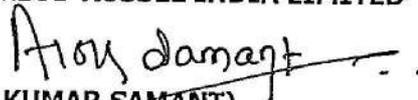
Time of Conclusion of Meeting: 19:35 P.M.

This is for your information and records.

Thanking you,

Yours faithfully,

For McLEOD RUSSEL INDIA LIMITED


(ALOK KUMAR SAMANT)
COMPANY SECRETARY

Encl: As above

Registered Office :

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN) : L51109WB1998PLC087076

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

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

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



A Williamson Magor Group Enterprise

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

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of McLeod Russel India Limited ("the Company") for the Quarter and six months ended on September 30, 2021 ('the Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS - 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 5 below:
 - a) Note no. 5 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,82,170 lakhs as on September 30, 2021 (including Interest of Rs. 1,934 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. In absence of provision there against, the profit for the period is overstated to that extent. Impact in this respect have not been ascertained by the management and recognised in the Statement.
 - b) The Company had given advance to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on September 30, 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. 8(b) regarding non-recognition of Interest of Rs. 5,979 lakhs (including Rs. 1,364 Lakhs for the period) on Inter Corporate Deposits taken by the company. Further, as stated in Note no. 8(a) and 8(c), penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us.



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

Place: Kolkata
Date: November 12, 2021



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

R. P. Singh
R. P. Singh
Partner

Membership No. 052438
UDIN: 21052438AAAAET9878

MCLEOD RUSSEL INDIA LIMITED

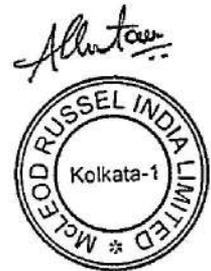
Registered Office: Four Mangoe Lane, Kolkata - 700001

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

CIN: L51109WB1998PLC087076

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2021
(Rs. in Lakhs except for EPS)

Particulars	Standalone					
	Quarter ended			Six Months ended		Financial Year ended
	September 30, 2021 (Unaudited)	June 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
1 Revenue from Operations	42,248	15,309	40,809	57,557	51,967	1,11,187
2 Other Income	39	50	257	89	282	848
Total Income (1 + 2)	42,287	15,359	41,066	57,646	52,249	1,12,035
3 Expenses						
a) Cost of Materials Consumed	3,358	5,855	4,911	9,213	5,741	10,335
b) Purchase of Tea	2	-	-	2	-	-
c) Changes in Inventories of Finished Goods	(6,337)	(13,027)	(16,331)	(19,364)	(21,390)	(818)
d) Employee Benefits Expense	16,627	14,539	19,299	31,166	31,342	53,114
e) Finance Costs	3,627	4,157	5,152	7,784	10,411	18,720
f) Depreciation and Amortisation Expenses	1,323	1,378	2,483	2,701	3,975	7,075
g) Other Expenses	10,421	8,187	9,771	18,608	14,803	32,029
Total Expenses	29,021	21,089	25,285	50,110	44,882	1,20,455
4. Profit/(Loss) before Tax (1+2-3)	13,266	(5,730)	15,781	7,536	7,367	(8,420)
5. Tax Expense						
a) Current Tax	-	-	58	-	58	-
b) Tax relating to earlier years (net)	-	-	-	-	-	1,778
c) Deferred Tax	341	42	894	383	414	(4,915)
Total Tax Expense	341	42	952	383	472	(3,137)
6 Profit/(Loss) for the period (4-5)	12,925	(5,772)	14,829	7,153	6,895	(5,283)
7 Other Comprehensive Income						
i) Items that will not be reclassified to profit or loss						
a) Remeasurements of post-employment defined benefit plans	(564)	(564)	(702)	(1,128)	(1,403)	(1,765)
b) Change in Fair Value of Equity instruments through other comprehensive income	1,382	460	972	1,842	1,613	4,221
ii) Income Tax relating to items that will not be reclassified to profit or loss	181	180	225	361	449	565
Total Other Comprehensive Income/(Loss)	999	76	495	1,075	659	3,021
8 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (6+7)	13,924	(5,696)	15,324	8,228	7,554	(2,262)
9 Earnings per Equity Share (EPS) (Rs.) (not annualised) Basic and Diluted	12.38	(5.53)	14.20	6.85	6.60	(5.06)
10 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
11 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,28,136



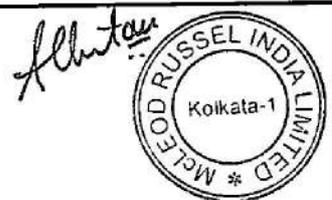
McLEOD RUSSEL INDIA LIMITED

Annexure I

STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

(Rs. In Lakhs)

Particulars	As at	
	September 30, 2021	March 31, 2021
	(Unaudited)	(Audited)
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	93,404	95,294
(b) Capital Work-in-Progress	6,163	5,814
(c) Other Intangible Assets	818	944
(d) Financial Assets		
(i) Investments		
- Investment in Subsidiary	15,967	15,967
- Other Investments	7,145	5,303
(ii) Loans	2,80,236	2,82,396
(iii) Other Financial Assets	6,387	6,352
(e) Other Non-current Assets	2,359	2,316
Total Non-Current Assets	4,12,479	4,14,386
Current Assets		
(a) Inventories	26,037	8,273
(b) Biological Assets other than Bearer Plants	738	409
(c) Financial Assets		
(i) Trade Receivables	11,402	1,623
(ii) Cash and Cash Equivalents	2,482	8,941
(iii) Bank balances other than (ii) above	463	170
(iv) Loans	808	1,097
(v) Other Financial Assets	1,200	1,563
(d) Current Tax Assets (Net)	1,041	1,041
(e) Other Current Assets	4,765	5,394
Total Current Assets	48,936	28,511
TOTAL ASSETS	4,61,415	4,42,897
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	5,223	5,223
(b) Other Equity	1,64,908	1,56,680
Total Equity	1,70,131	1,61,903
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	1,000
(ii) Lease Liabilities	203	203
(b) Provisions		
(i) Employee Benefit Obligations	5,112	5,112
(c) Deferred Tax Liabilities (Net)	6,976	6,954
(d) Other Non-current Liabilities	473	461
Total Non-Current Liabilities	12,764	13,730
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,96,770	2,03,015
(ii) Lease Liabilities	202	390
(iii) Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	9,546	7,641
(iv) Other Financial Liabilities	50,995	39,985
(b) Other Current Liabilities	12,288	8,042
(c) Provisions		
(i) Employee Benefit Obligations	4,849	3,653
(ii) Other Provisions	1,099	1,185
(d) Current Tax Liabilities (Net)	2,771	3,353
Total Current Liabilities	2,78,520	2,67,264
TOTAL LIABILITIES	2,91,284	2,80,994
TOTAL EQUITY AND LIABILITIES	4,61,415	4,42,897



McLEOD RUSSEL INDIA LIMITED
STATEMENT OF CASH FLOW FOR THE SIX MONTH ENDED SEPTEMBER 30, 2021

Annexure II

(Rs. In Lakhs)

Particulars	Six Month Ended September 30, 2021	Six Month Ended September 30, 2020
A. Cash Flow from operating activities		
Net Profit Before Tax	7,536	7,367
Adjustments to reconcile profit/(loss) for the period to net cash generated from operating activities:-		
Finance Cost	7,784	10,411
Depreciation and Amortisation Expense	2,701	3,975
Deferred Income	(15)	(15)
Interest Income on fixed deposits with banks, Security Deposits etc.	(11)	(144)
Provision/ Liabilities no longer required written back	(796)	-
Changes in fair value of Biological Assets	(329)	(933)
Sundry Debtors and other balances written off	197	-
Net Unrealised (Gain)/Loss on Foreign Currency Translation and Derivative at Fair Value through Profit and Loss	(21)	(51)
Operating Profit before Working Capital changes	17,046	20,610
Adjustments for :		
(Increase) / decrease in Loans, Other Financial Assets	480	(630)
(Increase) / decrease in Trade Receivables	(9,217)	(5,943)
(Increase) / decrease in Inventories	(17,764)	(20,873)
Increase / (decrease) in Other non-financial Liabilities and provisions	3,617	2,042
(Increase) / decrease in Other current and Non-Financial Assets	902	964
Increase / (decrease) in Trade Payables and other financial Liabilities	6,325	9,256
	(15,657)	(15,184)
Cash Generated/(Used) from Operations	1,389	5,426
Income taxes (Paid)/ Refund (Net)	(582)	904
Net cash generated/(used) from Operating Activities (A)	807	6,330
B. Cash Flow from Investing Activities		
Payment for Property, Plant and Equipment	(1,077)	(654)
Receipt/(Payments) against Sale of Specified Assets of Tea Estates	(431)	(472)
Interest Received	26	512
(Increase) / decrease in Other bank balances	(256)	(297)
(Increase) / decrease in Inter-Corporate Deposits	-	1,064
Net cash generated/(used) in Investing Activities (B)	(1,738)	153
C. Cash Flow from Financing Activities		
Repayment of Long Term Borrowings	-	(1,227)
Short Term Borrowings-Receipts/(Repayments)[Net]	(5,085)	614
Interest Paid	(169)	(2,044)
Payment of Lease Liability	(189)	(208)
Dividends	(85)	-
Net Cash from/(used) in Financing Activities (C)	(5,528)	(2,865)
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)	(6,459)	3,618
Opening Cash and Cash Equivalents	8,941	3,983
Closing Cash and Cash Equivalents	2,482	7,601

Notes

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



Notes to Standalone Un-audited Financial Results for the Quarter and six months ended September 30, 2021

1. The above Standalone unaudited financial result includes Statement of Assets and Liabilities as at September 30, 2021 (Enclosed as "Annexure I") and Statement of Cash Flow for the six months ended September 30, 2021 (Enclosed as "Annexure II") (hereinafter referred to as "Financial Results") attached herewith have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These financial results have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on November 12, 2021 and have been subject to Limited Review by the Statutory Auditors.
2. The petition filed by one of the corporate lenders under "Insolvency and Bankruptcy Code, 2016" (IBC) has been withdrawn by Hon'ble National Company Law Tribunal (NCLT) vide it's order dated September 03, 2021 ('the Order') on an application to the effect made by the Interim Resolution Professional (IRP) for the company before NCLT following an agreement arrived at with the corporate lender. Consequent to the said order, power of Board of Directors which was suspended on appointment of IRP has been restored and IRP has been discharged with effect from said date of the order from the functioning and responsibilities entrusted upon pursuant to Corporate Insolvency Resolution Process (CIRP).
3. (a) Cost of materials consumed represents green leaf purchased from external sources.

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

(c) As the Company is engaged in the business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and six months ended September 30, 2021 should not be construed as indicative of possible result for year ending March 31, 2022.
4. Remuneration to the extent of Rs. 646 lakhs (including Rs. 265 lakhs for the period and net of recovery thereagainst) has been paid to Managing Director and Wholetime Director for the period from April 01, 2020 to September 30, 2021 as decided in by the Shareholders 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 had made application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances pending recovery/adjustment in due course of time.
5. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,80,236 Lakhs as at September 30, 2021 (March 31, 2021: Rs. 2,82,396 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on September 30, 2021 aggregates to Rs. 1,934 Lakhs (March 31, 2021: Rs. 1,934 Lakhs) (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. On commencement of CIRP restructuring and other proposals earlier under consideration had been kept in abeyance. On withdrawal of the CIRP as mentioned above, steps have been re-initiated to restructure the borrowings and related financial obligations of the company and necessary resolution plan as stated in Note no. 6 below in this respect has been under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage.



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

The CIRP proceeding initiated against the company as stated in Note no. 2 above has been withdrawn. Following this, the lenders (bankers) reinitiated the Resolution process of the company in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has since been confirmed and signed by all the lenders (bankers). The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders had been completed earlier and finding on utilisation of funds borrowed had been accepted by them. Techno Economic Viability (TEV) study and valuation carried out earlier are being re-vetted and possible credit rating of the company will then be obtained in due course of time. The draft Resolution Plan prepared earlier by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation concerning resolution plan will accordingly be modified in terms of Inter-Creditor Agreement (ICA) and placed before the bankers for their consideration.

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

7. The predecessor auditors' had issued an adverse opinion on the audited financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 5 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,80,236 Lakhs given to various parties as given in Note no. 5 are outstanding as on September 30, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities. Information required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.
8. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 6 above, interest on borrowings have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the financial results.
- (b) Interest on Inter Corporate Deposits taken by the company has not been recognised to the extent of Rs. 5,979 Lakhs (including Rs. 1,364 Lakhs for the period) pending final settlement/finalisation of resolution plan.



(c) Rs. 5,000 lakhs has been paid to corporate lender referred to in Note. 2 above by certain parties on behalf of the company. Consequential adjustments in this respect has been done in the financial results. Pending completion of settlement and approval etc., the balance amount of borrowings of Rs. 5,000 lakhs has been considered outstanding as on September 30, 2021 and adjustments/ Impact if any in this respect and amount of Interest included in (b) above will be given effect to on ascertainment thereof.

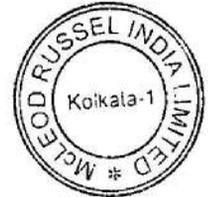
9. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 8, clearing accounts, other receivables/ Payables including identification of MSME, advances from customers, loans and advances, other current assets and certain other liabilities are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.
10. (a) The observations concerning Auditors' Opinion on the standalone financial statements for the year ended March 31, 2021 and conclusion on the unaudited financial results for the quarter ended June 30, 2021 have been dealt with under Para 5 to 9 above. These are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 6 above and will then suitably be addressed in the subsequent periods.

(b) Schedule III to the Companies Act, 2013 vide notification dated March 24, 2021 issued by Ministry of Corporate Affairs has been amended with effect from April 01, 2021 and these financial results have been presented giving effect to the said amendments. Accordingly, comparative figures for the previous year/periods have been regrouped wherever applicable to make them comparable with those of the current period's figure.

For McLeod Russel India Limited

Place: Kolkata
Dated: November 12, 2021


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



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

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **McLeod Russel India Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and six months ended September 30, 2021 ("the Statement"), being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We have also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.
5. The Statement includes the results of the following Subsidiaries (including step down subsidiaries):
 - a) Borelli Tea Holdings Limited
 - b) McLeod Russel Uganda Limited
 - c) Phu Ben Tea Company Limited
 - d) McLeod Russel Africa Limited
 - e) McLeod Russel Middle East DMCC
6. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 7 below:
 - a) Note no. 5 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,82,170 lakhs as on September 30, 2021 (including Interest of Rs. 1,934 lakhs accrued till March 31, 2019) given to certain companies by the Parent which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the Group. In absence of provision there against, the profit for the period is overstated to that extent. Impact in this respect have not been ascertained by the management and recognised in the Statement.



- b) The Parent had given advance to a body corporate aggregating to Rs. 1,400 lakhs which are outstanding as on September 30, 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. 8(b) regarding non-recognition of Interest of Rs. 5,979 lakhs (including Rs. 1,364 Lakhs for the period) on Inter Corporate Deposits taken by the Parent. Further, as stated in Note no. 8(a) and (c), penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution have not been recognised and amount payable to banks and financial institutions as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us.
- d) Note no 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon dealt with in Note no. 8. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- e) As stated in Note no. 7, the predecessor auditor in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the Group. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the Group are valid for current period also. The matter as reported is under examination and pending before regulatory authorities. Pending final outcome of the matter under examination we are unable to ascertain the impact of non-compliances and comment on the same.
7. Based on our review conducted as above, we report that because of the significance of the matters stated in Para 6 above including those relating to Inter-Corporate Deposits which as stated in Para 6(a) have been considered doubtful of recovery, together with the consequential impact of these matters on the consolidated unaudited financial results for the period which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India and has not disclosed fairly the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.
8. Attention is drawn to Note no. 6 of the Statement dealing with going concern assumption for preparation of the consolidated unaudited financial results of the Group. The Parent's current liabilities exceeded its current assets. The matters forming part of and dealt with under Para 7 above may have significant impact on the net worth of the Parent. Loans given to promoter group and certain other companies have remained unpaid. This has resulted in insufficiency of Parent's resources for meeting its obligations. Amount borrowed and interest thereupon could not be repaid as stipulated and other obligations could not be met as well due to insufficiency of resources. These conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern. However, the consolidated unaudited financial results of the Group due to the reasons stated in the said Note has been prepared by management on going concern basis, based on the Parent's management assessment of the expected successful outcome of the steps and measures including those concerning, restructuring/reduction of borrowings and interest thereon in terms of resolution plan under considerations of lenders and restructuring of outstanding loans receivables in sync with said plan and other proposals under evaluation as on this date. The ability to continue as a going concern is dependent upon formulation and approval of the resolution and in the event of the management's expectation in this respect and estimation etc., not turning out to be true, valid,



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

9. We did not review the unaudited consolidated financial statement of Subsidiaries (including four stepdown subsidiaries) whose consolidated unaudited financial statements reflect total assets of Rs. 46,010 Lakhs as at September 30, 2021, total revenues of Rs. 7,414 lakhs and Rs. 15,099 lakhs, total net profit/(loss) after tax of (Rs. 663 lakhs) and (Rs. 1,594 lakhs) and total comprehensive income of (Rs. 663 lakhs) and (Rs. 1,594 lakhs) for the quarter and six months ended September 30, 2021 respectively as considered in the consolidated unaudited financial results. These consolidated financial statements have been reviewed by the auditor of Borelli Tea Holdings Limited (Step one subsidiary) whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
10. Our conclusion on the Statement is not modified in respect of the matters stated in Para (8) and (9) above.

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

Place: Kolkata
Date: November 12, 2021



R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN: 21052438AAAAEU8382

MCLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Kolkata - 700001

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

CIN: L51109WB1998PLC087076

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTH ENDED SEPTEMBER 30, 2021

(Rs. In Lakhs except for EPS)

Particulars	Consolidated					
	Quarter ended		Six Months ended		Year ended	
	September 30, 2021 (Unaudited)	June 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
1 Revenue from Operations	49,386	21,898	49,897	71,284	69,227	1,43,844
2 Other Income	300	271	340	571	650	1,999
Total Income (1 + 2)	49,686	22,169	50,237	71,855	69,877	1,45,843
3 Expenses						
a) Cost of Materials Consumed	4,977	6,860	6,617	11,837	8,356	17,441
b) Purchase of Tea	974	376	1,508	1,350	3,059	3,624
c) Changes In Inventories of Finished Goods	(6,337)	(11,126)	(16,008)	(17,463)	(19,425)	160
d) Employee Benefits Expense	18,350	15,940	20,943	34,290	34,403	59,692
e) Finance Costs	3,911	4,564	5,624	8,475	11,457	20,451
f) Depreciation and Amortisation Expenses	1,877	1,714	2,997	3,591	4,785	9,038
g) Other Expenses	13,296	10,669	12,364	23,965	20,540	43,409
Total Expenses	37,048	28,997	34,045	66,045	63,175	1,53,815
4 Profit/(Loss) before share of profit/(loss) of Associate and Tax (1+2-3)	12,638	(6,828)	16,192	5,810	6,702	(7,972)
5 Share of Profit/(Loss) of Associate	-	-	-	-	-	-
6 Profit/(Loss) before Tax (4+5)	12,638	(6,828)	16,192	5,810	6,702	(7,972)
7 Tax Expense						
a) Current Tax	33	(108)	102	(75)	144	161
b) Tax relating to earlier years (net)	-	-	-	-	-	1,778
c) Deferred Tax	343	(17)	894	326	414	(4,672)
	376	(125)	996	251	558	(2,733)
8 Profit/(Loss) for the period (6-7)	12,262	(6,703)	15,196	5,559	6,144	(5,239)
9 Other Comprehensive Income						
A i) Items that will not be reclassified to profit or loss						
a) Remeasurements of post-employment defined benefit plans	(564)	(564)	(702)	(1,128)	(1,403)	(1,926)
b) Change In Fair Value of Equity Instruments through other comprehensive income	1,382	460	972	1,842	1,613	4,221
ii) Income Tax relating to Items that will not be reclassified to profit or loss	180	180	225	361	449	613
B i) Items that will be reclassified to profit or loss						
a) Exchange differences on translation of foreign operations	(144)	408	(391)	264	(559)	(784)
Total Other Comprehensive Income/(Loss)	854	484	104	1,339	100	2,124
10 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (8+9)	13,116	(6,219)	15,300	6,898	6,244	(3,115)
11 Profit/(Loss) for the period attributable to :						
Owners' of the Parent Company	12,262	(6,703)	15,196	5,559	6,144	(5,239)
Non-controlling Interests	-	-	-	-	-	-
12 Other Comprehensive Income/(Loss) for the period attributable to :						
Owners' of the Parent Company	854	484	104	1,339	100	2,124
Non-controlling Interests	-	-	-	-	-	-
13 Total Comprehensive Income for the period attributable to :						
Owners' of the Parent Company	13,116	(6,219)	15,300	6,898	6,244	(3,115)
Non-controlling interests	-	-	-	-	-	-
14 Earnings per Equity Share (EPS) (Rs.) (not annualised)						
Basic and Diluted	11.74	(6.42)	14.55	5.32	5.88	(5.02)
15 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
16 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,48,560



(Rs. in Lakhs)

Segment Information:						
Particulars	Consolidated					
	Quarter ended			Six Months ended		Financial Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue:						
India	42,048	14,619	40,791	56,667	51,930	1,11,018
Vietnam	2,000	1,447	2,013	3,447	3,541	7,737
Uganda	4,511	5,086	5,530	9,597	10,157	20,488
UK	(18)	220	9	202	259	238
Others	845	526	1,554	1,371	3,340	4,363
Total	49,386	21,898	49,897	71,284	69,227	1,43,844
Segment Result:						
India	13,201	(6,234)	15,783	6,967	7,332	(7,775)
Vietnam	(470)	(249)	(8)	(719)	(566)	(1,351)
Uganda	(6)	(213)	432	(219)	(208)	1,008
UK	(57)	(141)	112	(198)	149	65
Others	(30)	9	(127)	(21)	(5)	81
Profit/(Loss) before Share of Profit and Tax	12,638	(6,828)	16,192	5,810	6,702	(7,972)
Share of Profit of Associate	-	-	-	-	-	-
Profit/(Loss) before Taxation	12,638	(6,828)	16,192	5,810	6,702	(7,972)
Less Taxation :						
Current tax	33	(108)	102	(75)	144	161
Income tax relating to earlier years (net)	-	-	-	-	-	1,778
Deferred tax	343	(17)	894	326	414	(4,672)
	376	(125)	996	251	558	(2,733)
Profit/(Loss) after taxation	12,262	(6,703)	15,196	5,559	6,144	(5,239)
Depreciation and amortisation relating to segments:						
India	1,322	1,378	2,483	2,700	3,975	7,075
Vietnam	172	30	176	202	203	568
Uganda	366	291	323	657	577	1,336
UK	15	15	14	30	28	56
Others	2	-	1	2	2	3
Total	1,877	1,714	2,997	3,591	4,785	9,038
Segment Assets						
India	4,62,367	4,49,224	4,72,464	4,62,367	4,72,464	4,43,626
Vietnam	11,775	12,479	12,869	11,775	12,869	13,246
Uganda	28,795	28,354	28,630	28,795	28,630	27,660
UK	4,180	4,309	4,895	4,180	4,895	4,502
Others	1,261	1,444	2,373	1,261	2,373	1,534
Total	5,08,378	4,95,810	5,21,231	5,08,378	5,21,231	4,90,568
Segment Liabilities						
India	2,91,284	2,92,064	2,99,831	2,91,284	3,00,166	2,80,344
Vietnam	5,276	5,393	4,857	5,276	4,701	6,023
Uganda	21,967	21,862	23,787	21,967	23,617	21,258
UK	476	148	443	476	443	477
Others	150	234	627	150	618	140
Total	3,19,153	3,19,701	3,29,545	3,19,153	3,29,545	3,08,242



MCLEOD RUSSEL INDIA LIMITED

Annexure I

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021
(Rs. In Lakhs)

Particulars	As at	
	September 30, 2021	March 31, 2021
	(Unaudited)	(Audited)
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	1,16,740	1,18,324
(b) Capital Work-in-Progress	7,110	6,683
(c) Goodwill on Consolidation	20,143	20,178
(d) Other Intangible Assets	1,082	1,239
(e) Financial Assets		
(i) Investments		
- Investment in Associate	-	-
- Other Investments	7,145	5,303
(ii) Loans	2,80,236	2,84,006
(iii) Other Financial Assets	6,387	6,393
(f) Other Non-current Assets	2,412	2,374
Total Non-Current Assets	4,41,255	4,44,500
Current Assets		
(a) Inventories	36,650	20,465
(b) Biological Assets other than Bearer Plants	809	499
(c) Financial Assets		
(i) Trade Receivables	13,485	3,192
(ii) Cash and Cash Equivalents	3,150	9,688
(iii) Bank balances other than (ii) above	485	191
(iv) Loans	2,515	1,097
(v) Other Financial Assets	1,238	1,378
(d) Current Tax Assets (Net)	2,460	2,397
(e) Other Current Assets	6,331	7,161
Total Current Assets	67,123	46,068
TOTAL ASSETS	5,08,378	4,90,568
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	5,223	5,223
(b) Other Equity	1,84,002	1,77,104
Equity attributable to Owners' of the Parent	1,89,225	1,82,327
Non-controlling interests	-	-
Total Equity	1,89,225	1,82,327
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,664	11,099
(ii) Lease Liabilities	464	203
(b) Provisions		
(i) Employee Benefit Obligations	5,844	5,876
(c) Deferred Tax Liabilities (Net)	8,617	8,580
(d) Other Non-current Liabilities	473	461
Total Non-Current Liabilities	24,062	26,219
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,09,917	2,14,127
(ii) Lease Liabilities	230	664
(iii) Trade Payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	11,326	10,172
(iv) Other Financial Liabilities	51,197	40,212
(b) Other Current Liabilities	13,256	8,320
(c) Provisions		
(i) Employee Benefit Obligations	4,915	3,656
(ii) Other Provisions	1,100	1,185
(d) Current Tax Liabilities (Net)	3,150	3,686
Total- Current Liabilities	2,95,091	2,82,022
TOTAL LIABILITIES	3,19,153	3,08,241
TOTAL EQUITY AND LIABILITIES	5,08,378	4,90,568



STATEMENT OF CONSOLIDATED CASH FLOW FOR THE SIX MONTH ENDED SEPTEMBER 30, 2021

Particulars	For the Period ended September 30, 2021		For the Period ended September 30, 2020	
A. Cash Flow from operating activities				
Net Profit Before Tax		5,810		6,702
Adjustment for non cash and other items:				
Finance Cost	8,475		11,457	
Depreciation and Amortisation Expense	3,591		4,785	
Deferred Income	(15)		(15)	
Interest Income on fixed deposit with banks, security deposits etc.	(215)		(144)	
Provision/ Liabilities no longer required written back	(796)		-	
Profit on Disposal of Fixed Assets (net)	(12)		-	
Changes in fair value of Biological Assets	(309)		(933)	
Bad Debts/advances written off	197		-	
Provision for Doubtful Debts /Advances/Interest receivable	1,001		-	
Net Unrealised (Gain)/Loss on foreign currency translation	(264)		(559)	
Provision for Derivative Fair Value through Profit and Loss	(21)	11,632	(51)	14,540
Operating Profit before Working Capital changes		17,442		21,242
Adjustments for :				
(Increase) / decrease in Loans, Other Financial Assets	(735)		(941)	
(Increase) / decrease in Trade Receivables	(8,864)		(6,053)	
(Increase) / decrease in Inventories	(16,185)		(19,217)	
Increase / (decrease) in Other non-financial Liabilities and provisions	3,470		4,868	
(Increase) / decrease in Other current and Non-Financial Assets	1,913		491	
Increase / (decrease) in Trade Payables and other financial Liabilities	4,742	(15,659)	8,370	(12,482)
Cash Generated from Operations		1,783		8,760
Direct Taxes Paid (Net)		(599)		(913)
Cash from Operating Activities (A)		1,184		7,847
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	(1,593)		(739)	
Receipt/(Payments) against Sale of Specified Assets of Tea Estates	(446)		(472)	
Interest Received	231		512	
(Increase) / decrease in Other bank balances	(325)		(296)	
(Increase) / decrease in Inter-Corporate Deposits	-		1,064	
Net Cash Flow From Investing Activities (B)		(2,133)		69
C. Cash Flow from Financing Activities				
Repayment of Long Term Borrowings	(945)		(2,262)	
Short Term Borrowings-Receipts/(Repayments)[Net]	(3,540)		1,427	
Interest Paid	(845)		(3,090)	
Payment of Lease Liability	(173)		(208)	
Dividends (Including corporate dividend tax)	(85)		-	
Net Cash Flow From Financing Activities (C)		(5,588)		(4,133)
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		(6,537)		3,783
Unrealised (Loss)/Gain on foreign Currency Cash and Cash Equivalent		(1)		(16)
Opening Cash and Cash Equivalents		9,688		5,162
Closing Cash and Cash Equivalents		3,150		8,929
Notes				
1	The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.			



Notes to Consolidated Un-audited Financial Results for the Quarter and six months ended September 30, 2021

1. (a) The above consolidated unaudited financial result of McLeod Russel India Limited ('the Parent') and its subsidiaries (together referred to as the 'Group') includes Consolidated Statement of Assets and Liabilities as at September 30, 2021 (Enclosed as "Annexure I") and Consolidated Statement of Cash Flow for the six months ended September 30, 2021 (Enclosed as "Annexure II") (hereinafter referred to as "Consolidated Financial Results") attached herewith have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These Consolidated Financial Results have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on November 12, 2021 and have been subject to Limited Review by the Statutory Auditors.

(b) The consolidated financial results for the quarter and six months ended September 30, 2021 include the figures of the Parent together with its subsidiary, Borelli Tea Holding Limited (UK) (Step one subsidiary) and step-down subsidiaries i.e. Phuben Tea Company Limited (Vietnam), McLeod Russel Uganda Limited (Uganda), McLeod Russel Africa Limited (Kenya) and McLeod Russel Middle East DMCC (Dubai)
2. The petition filed by one of the corporate lenders under "Insolvency and Bankruptcy Code, 2016" (IBC) has been withdrawn by Hon'ble National Company Law Tribunal (NCLT) vide it's order dated September 03, 2021 ('the Order') on an application to the effect made by Interim Resolution Professional (IRP) for the Parent before NCLT following an agreement arrived at with the corporate lender. Consequent to the said order, power of Board of Directors which was suspended on appointment of IRP has been restored and IRP has been discharged with effect from said date of the order from the functioning and responsibilities entrusted upon pursuant to Corporate Insolvency Resolution Process (CIRP).
3. (a) Cost of materials consumed represents green leaf purchased from external sources.

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

(c) As the Group is engaged in the business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and six months ended September 30, 2021 should not be construed as indicative of possible result for year ending March 31, 2022.
4. Remuneration to the extent of Rs. 646 lakhs (including Rs. 265 lakhs for the period and net of recovery thereagainst) has been paid to Managing Director and Wholetime Director for the period from April 01, 2020 to September 30, 2021 as decided in by the Shareholders 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 had made application to the banks and public financial institution for their approval and the same is awaited as on this date. Accordingly, these amounts being held in trust has been recognised as advances pending recovery/adjustment in due course of time.



5. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies by the Parent, the amount outstanding aggregates to Rs. 2,80,236 Lakhs as at September 30, 2021 (March 31, 2021: Rs. 2,82,396 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on September 30, 2021 aggregates to Rs. 1,934 Lakhs (March 31, 2021: Rs. 1,934 Lakhs) (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. On commencement of CIRP restructuring and other proposals earlier under consideration had been kept in abeyance. On withdrawal of the CIRP as mentioned above, steps have been re-initiated to restructure the borrowings and related financial obligations of the parent and necessary resolution plan as stated in Note no. 6 below in this respect has been under consideration of lenders. The management believes that the outstanding dues, net of provision for amount considered doubtful, as mentioned above, shall be recovered/adjusted and/or restructured considering the outcome of the Resolution Plan under consideration as above and no further provision/adjustment is required at this stage.
6. Operations and overall performance of the Parent even though has improved, the Parent's financial position is continued to be under stress. The Inter-Corporate Deposits (ICDs) given to various group and other companies to provide them funds for strategic reasons for meeting their various obligations along with interest to the extent applicable are outstanding as on this date. These have resulted in mismatch of Parent's resources vis-à-vis its commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

The CIRP proceeding initiated against the Parent as stated in Note no. 2 above has been withdrawn. Following this, the lenders (bankers) reinitiated the Resolution process of the Parent in terms of circular dated June 07, 2019 issued by the Reserve Bank of India. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has since been confirmed and signed by all the bankers. The forensic audit for utilisation of funds borrowed in the past, conducted on behalf of lenders had been completed earlier and finding on utilisation of funds borrowed had been accepted by them. Techno Economic Viability (TEV) study and valuation carried out earlier are being re-vetted and possible credit rating of the parent will then be obtained in due course of time. The draft Resolution Plan prepared earlier by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation concerning resolution plan will accordingly be modified in terms of Inter-Creditor Agreement (ICA) and placed before the bankers for their consideration

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

7. The predecessor auditors' had issued an adverse opinion on the consolidated audited financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 5 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,80,236 Lakhs given to various parties as given in Note no. 5 are outstanding as on September 30, 2021. The issues raised including utilisation of these loans etc. are also being examined by relevant authorities. Information required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.



8. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 6 above, Interest on borrowings have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, pending such restructuring, amount repaid to lenders and/or recovered by them including by executing securities etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amount including interest thereagainst is subject to confirmation and determination and consequential reconciliation thereof in terms of the resolution plan pending approval by the lenders as on this date. Adjustments, if any required in this respect will be recognised on determination thereof and will then be given effect to in the consolidated financial results.

(b) Interest on Inter Corporate Deposits taken by the Parent has not been recognised to the extent of Rs. 5,979 Lakhs (including Rs. 1,364 Lakhs for the period) pending final settlement/finalisation of resolution plan.

(c) Rs. 5,000 lakhs has been paid to corporate lender referred to in Note. 2 above by certain parties on behalf of the Parent. Consequential adjustments in this respect has been done in the consolidated financial results. Pending completion of settlement and approval etc., the balance amount of borrowings of Rs. 5,000 lakhs has been considered outstanding as on September 30, 2021 and adjustments/ Impact if any in this respect and amount of Interest included in (b) above will be given effect to on ascertainment thereof.

9. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 8, clearing accounts, other receivables/ Payables including identification of MSME, advances from customers, loans and advances, other current assets and certain other liabilities of the Parent are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

10. (a) The observations concerning Auditors' Opinion on the consolidated financial statements for the year ended March 31, 2021 and conclusion on the unaudited financial results for the quarter ended June 30, 2021 have been dealt with under Para 5 to 9 above. These are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 6 above and will then suitably be addressed in the subsequent periods.

(b) Schedule III to the Companies Act, 2013 vide notification dated March 24, 2021 issued by Ministry of Corporate Affairs has been amended with effect from April 01, 2021 and these financial results have been presented giving effect to the said amendments. Accordingly, comparative figures for the previous year/periods have been regrouped wherever applicable to make them comparable with those of the current period's figure.

For McLeod Russel India Limited

Place: Kolkata

Dated: November 12, 2021


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

