



McLEOD RUSSEL
Believe in tea

12 February 2021

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

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

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

Dear Sir,

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

Pursuant to Regulation 30 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please be informed that the Board of Directors of the Company at its meeting held today, have inter-alia, approved the Un-audited Financial Results of the Company for the quarter and nine months ended 31 December 2020 along with "Limited Review Report" submitted by M/s. Lodha & Co, Chartered Accountants, Statutory Auditors of the Company, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015. A copy of the same is enclosed herewith.

Time of Commencement of Meeting: 04.45 p.m.

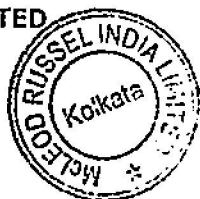
Time of Conclusion of Meeting: 06.50 p.m.

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 MANGOE LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001

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

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



A Williamson Magor Group Enterprise

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

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of McLeod Russel India Limited ("the Company") for the Quarter and nine months ended on December 31, 2020 ("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. 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. 2,85,430 lakhs as on December 31, 2020 (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 December 31, 2020. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
 - c) Note No. 8(b) regarding non-recognition of Interest of Rs. 3,909 lakhs on Inter Corporate Deposits taken by the company and thereby the profit for the period is overstated to that extent. Further, as stated in Note no. 8(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 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.



- d) Note no 9 regarding non reconciliation of certain debit and credit balances with individual details and confirmation etc. Adjustments/ Impact in this respect 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 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 consequential impact thereof.
5. Based on our review conducted as above, we report that because of the significance of the matters stated in Para 4 above especially those relating to non-provision of amount given as 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. Funds obtained by borrowing and utilized for providing funds to other companies have become unserviceable primarily due to non-repayment of outstanding amounts by those companies. This has resulted in insufficiency of company's resources for meeting its obligations. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the 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 as dealt with in Note no. 6 and other proposals under evaluation as on this date. In the event of the management's expectation and estimation etc., not turning out to be true, possible impact on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.



Place: Kolkata
Date: February 12, 2021

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

R. P. Singh
R. P. Singh
Partner

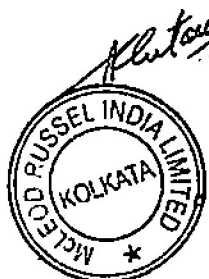
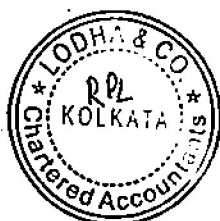
Membership No. 052438
UDIN: 21052438AAAAAN8879

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

Rs. Lakhs except for EPS

Rs. Lakhs except for EPS						
Particulars	Standalone					
	Quarter ended			Nine Months ended		Financial Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from Operations	36,495	40,809	28,113	88,462	70,109	85,640
2 Other Income	16	257	1,025	298	8,911	9,347
Total Income (1 + 2)	36,511	41,066	29,138	88,760	79,020	94,987
3 Expenses						
a) Cost of Materials Consumed	3,170	4,911	487	8,911	1,391	1,443
b) Changes in Inventories of Finished Goods	5,209	(16,331)	5,124	(16,181)	(10,311)	2,547
c) Employee Benefits Expense	11,428	19,299	13,052	42,770	42,345	50,746
d) Finance Costs	4,926	5,152	5,340	15,337	19,132	21,441
e) Depreciation and Amortisation Expenses	1,379	2,483	1,517	5,354	4,405	6,247
f) Other Expenses	9,991	9,771	5,669	24,794	21,780	27,131
Total Expenses	36,103	25,285	31,189	80,985	78,743	1,09,555
4 Profit/(Loss) before Exceptional Items and Tax (1+2-3)	408	15,781	(2,051)	7,775	277	(14,568)
5 Exceptional Items	-	-	-	-	11,769	11,769
6 Profit/(Loss) before Tax (4+5)	408	15,781	(2,051)	7,775	12,046	(2,799)
7 Tax Expense						
a) Current Tax	317	58	-	374	-	-
b) Deferred Tax	(9)	894	(98)	404	3,242	(4,026)
8 Profit/(Loss) for the period (6-7)	100	14,829	(1,953)	6,997	8,804	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	(702)	(702)	(763)	(2,105)	(2,288)	(2,278)
b) Change in Fair Value of Equity Instruments through other comprehensive Income	1,178	972	93	2,791	(2,820)	(2,910)
ii) Income Tax relating to Items that will not be reclassified to profit or loss	224	225	243	673	732	729
Total Other Comprehensive Income/(Loss)	700	495	(427)	1,359	(4,376)	(4,459)
10 Total Comprehensive Income/(Loss) for the period	800	15,324	(2,380)	8,356	4,428	(3,232)
11 Earnings per Equity Share (EPS) (Rs.) (not annualised)						
Basic and Diluted	0.10	14.20	(1.87)	6.70	8.43	1.17
Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
13 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,27,938



Notes to Standalone Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2020

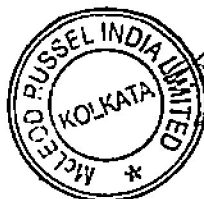
1. The above unaudited financial result (hereinafter referred to as "Unaudited Financial Results") attached herewith have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on February 12, 2021 and have been subject to Limited Review by the Auditors.
2. (a) Cost of materials consumed represents green leaf purchased from external sources.

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

(c) As the Company is engaged in business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and nine months ended December 31, 2020 should not be construed as indicative of possible result for year ending March 31, 2021.
3. a) Exceptional Items for the period ended December 31, 2019 and March 31, 2020 include:
 - 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 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 its 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 charge is net of Deferred Tax Asset on account of MAT Credit Entitlement aggregating to Rs. 5,154 lakhs based on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income created for the year ended March 31, 2020.

c) Remuneration to the extent of Rs. 454 Lakhs (net of Rs. 203 lakhs recovered during the period) paid to Managing Director for the period from April 01, 2016 to March 31, 2017 and April 01, 2018 to March 31, 2020 has become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Accordingly, the said amount being held in trust has been recognised as advances under "Loans", pending recovery/adjustment in due course of time.
4. (a) Remuneration to Sub-Staff was revised and consequential impact was recognised during the quarter ended June 30, 2020. In respect of workers pending finalisation of wage agreement, wages since January 2019 has been paid and recognised as per the Interim Order issued in this respect by Government of Assam. Further, considering the recommendation of Committee appointed by said government for examining the minimum wages for Workers in the Tea Industry, provision of Rs.5,054 lakhs have been made during the quarter ended September 30, 2020. Adjustments in this respect if required will be given effect to on determination of amount thereof on finalisation of the agreement.

(b) The Code on Social Security, 2020 ('Code') relating to employee benefit both during and post-employment has been approved and following the president assent to the effect in September 2020, the same has been published in the Gazette of India. The draft rules on the matter inviting the suggestion of Stakeholders have since been published. The Company is presently evaluating the implication of the above Code and steps will be taken to implement these on necessary notification, clarification etc., on the matter and will recognise the impact thereof once the relevant codes become operational.

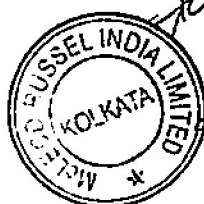


5. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,83,496 Lakhs as at December 31, 2020 (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on December 31, 2020 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 6,947 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to their repayment capabilities and proposed terms and conditions pending finalisation of resolution plan and determination of amount thereof, has not been accrued in the previous year and even during the period. Over and above, the company has issued corporate guarantee and letters of comfort to lenders of these companies. Steps are being taken to restructure the borrowings and related financial obligations of the company as well as of various group companies and necessary resolution plan as stated in Note no. 6 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. Necessary approval of shareholders for such loans, guarantees etc. as required in terms of Section 186 of the Companies Act, 2013 have been obtained on September 25, 2020. Necessary further compliances in this respect concerning provisions of Companies Act, 2013 will also be ensured in due course of time. No further provision is required at this stage and any adjustments required consequent to finalisation of resolution plan will be given effect to on determination of the amount thereof.
6. 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 its commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

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 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.

Due to firming up of tea prices and improved realisation the availability of fund for meeting operational obligations statutory or otherwise have gained momentum. The company has taken various measures to overcome the financial constraints, which inter-alia include reduction in operational costs, monetising the Company's/group's assets including 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.

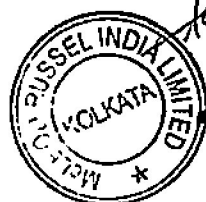
Pursuant to initiation of the Resolution process of stressed assets vide circular dated June 07, 2019 issued by the Reserve Bank of India, the lenders have appointed an Independent professional for carrying out Techno Economic Viability (TEV) study and valuers for carrying out the valuation of the company. Further SBI Capital Markets Limited, one of the leading investment banker and adviser has been appointed by the lenders to work out and recommend resolution plan and possible course of action on the matter. The forensic audit for utilisation of funds borrowed in the past, conducted on behalf of lenders has been completed during the period. The professionals and experts so appointed have submitted their reports and/or recommendations including the Draft Resolution Plan which is pending before lenders for their consideration and decision.



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 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, etc. and other ameliorative measures taken and/or proposed to be taken, the company will be able to restructure/reduce its outstanding amount of loan receivable in line with the same and generate sufficient cashflow to meet its obligations and strengthen its 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 arriving at the resolution plan, these unaudited financial results have been prepared on going concern basis.

7. 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. 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. 2,83,496 Lakhs given to various parties as given in Note no. 5 are outstanding as on December 31, 2020. The issues raised are also being examined by relevant authorities including Registrar of Companies, outcome of which are awaited as on this date. Information required by the authorities have been provided and directions, if any received on conclusion of the proceedings will be dealt with appropriately to ensure necessary compliances. These matters are procedural in nature and/or are subject to the decision by the authorities and do not have any impact as such on the profit or loss for the period.
8. (a) Pending completion of debt restructuring process and consequential adjustment in this respect as per Note No. 6 above, interest on borrowings have been 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 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 final decision to be arrived at in this respect. 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 has not been recognised to the extent of Rs. 3,909 Lakhs (including Rs. 1,727 Lakhs for the period) pending finalisation of debt resolution process.
9. Certain debit and credit balances other than borrowings dealt with in Note no. 8(a) including inter-unit and other clearing balances, trade and other receivables/ Payables, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea estates are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.
10. In view of management's estimates and assumptions, impact of COVID 19 pandemic including on the carrying value of current and non-current assets is not expected to be material.
11. (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 six months ended September 30, 2020 have been dealt with under Para 4 to 9 above. During the period, 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. 6 above and will then suitably be addressed in the subsequent periods.

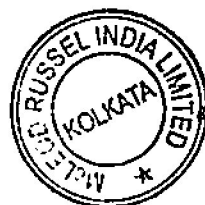


(b) Figures for the previous periods have however, been regrouped/ rearranged, wherever necessary to confirm to the current periods' presentation.

For McLeod Russel India Limited

Place: Kolkata
Dated: February 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 nine months ended December 31, 2020 ("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. 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. 2,85,430 lakhs as on December 31, 2020 (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 Parent. 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 December 31, 2020. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances.
 - c) Note No. 8(b) regarding non-recognition of Interest of Rs. 3,909 lakhs on Inter Corporate Deposits taken by the Parent and thereby the profit for the period is overstated to that extent. Further, as stated in Note no. 8(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 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.
 - d) Note no 9 regarding non reconciliation of certain debit and credit balances with individual details and confirmation etc. by the Parent. Adjustments/ Impact in this respect 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 Parent. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including 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 consequential impact thereof.
7. Based on our review conducted as above, we report that because of the significance of the matters stated in Para 6 above especially those relating to non-provision of amount given as 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 unaudited consolidated financial results of the Group. The Parent's current liabilities exceeded its current assets. The matters forming part of and dealt with under Para 6 above may have significant impact on the net worth of the Parent. Funds obtained by borrowing and utilized for providing funds to other companies have become unserviceable primarily due to non-repayment of outstanding amounts by those companies. This has resulted in insufficiency of Parent's resources for meeting its obligations. These conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern which may have significant impact on the affairs of the Group. However, the unaudited 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 restructuring of outstanding loans receivables in sync with said plan as dealt with in Note no. 6 and other proposals under evaluation as on this date. In the event of the management's expectation and estimation etc., not turning out to be true, possible impact



on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us.

9. We did not review the unaudited consolidated financial statement of Subsidiaries (including four stepdown subsidiaries) whose consolidated unaudited financial statements reflect total revenues of Rs. 7,925 lakhs and Rs. 25,590 lakhs, total net profit/(loss) after tax of Rs. 4 lakh and (Rs. 749 lakhs) and total comprehensive income of Rs. 4 lakh and (Rs. 749 lakhs) for the quarter and nine months ended December 31, 2020 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.

Place: Kolkata
Date: February 12, 2021



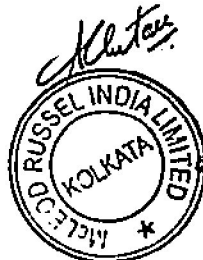
For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No. 301051E

R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN:21052438AAAAA08343

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

Rs. In Lakhs except for EPS

Particulars	Consolidated					
	Quarter ended			Nine Months ended		Financial Year ended
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
1 Revenue from Operations	44,754	49,897	36,595	1,13,981	92,770	1,14,272
2 Other Income	94	340	1,068	744	2,582	3,168
Total Income (1 + 2)	44,848	50,237	37,663	1,14,725	95,352	1,17,440
3 Expenses						
a) Cost of Materials Consumed	5,381	6,617	2,905	13,737	6,713	8,734
b) Purchase of Tea	802	1,508	1,295	3,861	3,943	3,792
c) Changes in Inventories of Finished Goods	5,659	(16,008)	5,194	(13,766)	(8,997)	2,080
d) Employee Benefits Expense	13,103	20,943	14,944	47,506	47,150	56,946
e) Finance Costs	5,274	5,624	5,554	16,731	20,137	22,669
f) Depreciation and Amortisation Expenses	1,956	2,997	2,039	6,741	5,528	7,795
g) Other Expenses	12,171	12,364	8,255	32,711	30,227	38,778
Total Expenses	44,346	34,045	40,186	1,07,521	1,04,701	1,40,794
4 Profit/(Loss) before share of profit, Exceptional items and Tax (1+2-3)	502	16,192	(2,523)	7,204	(9,349)	(23,354)
5 Share of Profit of Associate	-	-	-	-	40	40
6 Profit/(Loss) before Exceptional Items and Tax (4+5)	502	16,192	(2,523)	7,204	(9,309)	(23,314)
7 Exceptional Items	-	-	71	-	4,453	4,398
8 Profit/(Loss) before Tax (6+7)	502	16,192	(2,452)	7,204	(4,856)	(18,916)
9 Tax Expense						
a) Current Tax	408	102	44	552	272	365
b) Deferred Tax	(10)	894	(199)	404	2,585	(4,502)
10 Profit/(Loss) for the period (8-9)	104	15,196	(2,297)	6,248	(7,713)	(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	(702)	(702)	(763)	(2,105)	(2,288)	(2,366)
b) Change in Fair Value of Equity Instruments through other comprehensive Income	1,178	972	93	2,791	(2,820)	(2,910)
ii) Income Tax relating to items that will not be reclassified to profit or loss	224	225	243	673	731	755
B i) Items that will be reclassified to profit or loss						
a) Exchange differences on translation of foreign operations	(598)	(391)	240	(1,157)	859	916
Total Other Comprehensive Income/(Loss)	102	104	(187)	202	(3,518)	(3,605)
12 Total Comprehensive Income/(Loss) for the period	206	15,300	(2,484)	6,450	(11,231)	(18,384)
13 Profit/(Loss) for the period attributable to : Owners' of the Parent Company	104	15,196	(2,297)	6,248	(7,713)	(14,779)
Non-controlling Interests	-	-	-	-	-	-
14 Other Comprehensive Income/(Loss) for the period attributable to : Owners' of the Parent Company	102	104	(187)	202	(3,518)	(3,605)
Non-controlling Interests	-	-	-	-	-	-
15 Total Comprehensive Income for the period attributable to : Owners' of the Parent Company	206	15,300	(2,484)	6,450	(11,231)	(18,384)
Non-controlling Interests	-	-	-	-	-	-
16 Earnings per Equity Share (EPS) (Rs.) (not annualised) Basic and Diluted	0.10	14.55	(2.20)	5.98	(7.38)	(14.15)
17 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223	5,223	5,223
18 Other Equity excluding Revaluation Reserve	-	-	-	-	-	1,49,215



Segment Information:						(Rs. In Lakhs)
Particulars	Consolidated					Financial Year ended March 31, 2020 (Audited)
	Quarter ended			Nine Months ended		
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	
Segment Revenue:						
India	36,461	40,791	28,201	88,391	70,056	85,565
Vietnam	1,986	2,013	2,155	5,527	5,367	7,641
Uganda	5,283	5,530	4,536	15,440	12,719	16,068
UK	(16)	9	574	243	755	227
Others	1,040	1,554	1,129	4,380	3,873	4,771
Total	44,754	49,897	36,595	1,13,981	92,770	1,14,272
Segment Result:						
India	408	15,781	(1,963)	7,777	(2,681)	(17,547)
Vietnam	(417)	(8)	(135)	(1,020)	(436)	(102)
Uganda	377	432	(336)	169	(2,192)	(1,589)
UK	107	112	(1,766)	256	84	164
Others	27	(125)	1,748	22	329	118
Profit/(Loss) before Share of Profit and Tax	502	16,192	(2,452)	7,204	(4,896)	(18,956)
Share of Profit of Associate	-	-	-	-	40	40
Profit/(Loss) before Taxation	502	16,192	(2,452)	7,204	(4,856)	(18,916)
Less Taxation :						
Current tax	408	102	44	552	272	365
Deferred tax	(10)	894	(199)	404	2,585	(4,502)
Profit/(Loss) after taxation	398	996	(155)	956	2,857	(4,137)
Depreciation and amortisation relating to segments:	104	15,196	(2,297)	6,248	(7,713)	(14,779)
India	1,379	2,483	1,517	5,354	4,406	6,247
Vietnam	263	176	274	466	460	538
Uganda	299	323	227	876	613	954
UK	14	14	(26)	42	-	52
Others	1	1	47	3	49	4
Total	1,956	2,997	2,039	6,741	5,528	7,795
Segment Assets						
India	4,73,457	4,72,464	4,51,419	4,73,457	4,51,419	4,26,728
Vietnam	13,214	12,869	13,976	13,214	13,976	14,444
Uganda	28,021	28,630	42,464	28,021	42,464	29,653
UK	4,407	4,895	5,597	4,407	5,597	20,301
Others	1,581	2,373	1,586	1,581	1,586	2,398
Total	5,20,680	5,21,231	5,15,042	5,20,680	5,15,042	4,93,524
Segment Liabilities						
India	2,99,664	2,99,831	2,95,615	2,99,664	2,95,615	2,78,208
Vietnam	5,470	4,857	7,902	5,470	7,902	5,658
Uganda	21,866	23,787	15,946	21,866	15,946	23,682
UK	444	443	1,178	444	1,178	289
Others	140	627	1,587	140	1,587	245
Total	3,27,584	3,29,545	3,22,228	3,27,584	3,22,228	3,08,082



Notes to Consolidated Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2020

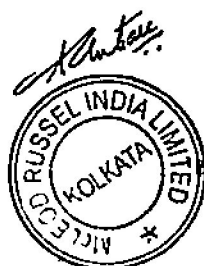
1. (a) The above consolidated unaudited financial result of McLeod Russel India Limited ('the Parent') and its subsidiaries (together referred to as the 'Group') (hereinafter referred to as "Consolidated unaudited financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and complied keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These consolidated unaudited financial statements have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on February 12, 2021 and have been subject to Limited Review by the Auditors.

(b) The consolidated unaudited financial statement for the quarter and nine months ended December 31, 2020 include the figures of the Company together with its subsidiary, Borelli Tea Holding Limited (UK) (Step one subsidiary) and step-down subsidiaries i.e. Phuben Tea Company Limited (Vietnam), McLeod Russel Uganda Limited (Uganda), McLeod Russel Africa Limited (Kenya) and McLeod Russel Middle East DMCC (Dubai).

(c) In the consolidated unaudited financial statement, 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 external 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 locations and accordingly India, Vietnam, Uganda, UK and others have been considered to be reportable segment.

(c) As the Group is engaged in the business of cultivation, manufacture and sale of tea, which is seasonal in character, figures for the quarter and nine months ended December 31, 2020 should not be construed as indicative of possible result for year ending March 31, 2021.
3. a) Exceptional Items for the period ended December 31, 2019 and March 31, 2020 include:
 - 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 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. 687 Lakhs (including Rs. 71 Lakhs for the quarter ended December 31, 2019) 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 charge is net of Deferred Tax Asset on account of MAT Credit Entitlement aggregating to Rs. 5,154 lakhs based on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income created for the year ended March 31, 2020.
- c) Remuneration to the extent of Rs. 454 Lakhs (net of Rs. 203 Lakhs recovered during the period) paid to Managing Director for the period from April 01, 2016 to March 31, 2017 and April 01, 2018 to March 31, 2020 has become in excess of the limit laid down under the Companies Act, 2013, since required shareholders' approval could not be obtained. Accordingly, the said amount being held in trust has been recognised as advances under "Loans", pending recovery/adjustment in due course of time.



4. (a) In respect of Parent, remuneration to Sub-Staff was revised and consequential Impact was recognised during the quarter ended June 30, 2020. Further for workers pending finalisation of wage agreement, wages since January 2019 have been paid and recognised as per the Interim Order Issued in this respect by Government of Assam. Further, considering the recommendation of Committee appointed by said government for examining the minimum wages for Workers in the Tea Industry, provision of Rs.5,054 lakhs have been made during the quarter ended September 30, 2020. Adjustments in this respect if required will be given effect to on determination of amount thereof on finalisation of the agreement.

(b) The Code on Wages 2019 and Code on Social Security, 2020 ('the Codes') relating to employee benefits including wages, bonus and other benefits etc. both during employment and post-employment have received Presidential assent on August 08, 2019 and September 28, 2020 respectively. The Parent is presently evaluating the implication of above Codes and steps will be taken to implement these on necessary notification, clarification etc., on the matter and will recognise the impact thereof once the relevant codes become operational.

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. 2,83,496 Lakhs as at December 31, 2020 (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on December 31, 2020 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 6,947 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to their repayment capabilities and proposed terms and conditions pending finalisation of resolution plan and determination of amount thereof, has not been accrued in the previous year and even during the period. Over and above, the Parent has issued corporate guarantee and letters of comfort to lenders of these companies. Steps are being taken to restructure the borrowings and related financial obligations of the Parent as well as of various group companies and necessary resolution plan as stated in Note no. 6 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. Necessary approval of shareholders for such loans, guarantees etc. as required in terms of Section 186 of the Companies Act, 2013 have been obtained on September 25, 2020. Necessary further compliances in this respect concerning provisions of Companies Act, 2013 will also be ensured in due course of time and no further provision is required at this stage and any adjustments required consequent to finalisation of resolution plan will be given effect to on determination of the amount thereof.
6. 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 its commitments and obligations and financial constraints, causing hardship in servicing the short term and long-term debts and meeting other liabilities.

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 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.

Due to firming up of tea prices and improved realisation the availability of fund for meeting operational obligations statutory or otherwise have gained momentum. The Parent has taken 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.



Pursuant to Initiation of the Resolution process of stressed assets vide circular dated June 07, 2019 issued by the Reserve Bank of India, the lenders have appointed an Independent professional for carrying out Techno Economic Viability (TEV) study and valuers for carrying out the valuation of the company. Further SBI Capital Markets Limited, one of the leading investment banker and adviser has been appointed by the lenders to work out and recommend resolution plan and possible course of action on the matter. The forensic audit for utilisation of funds borrowed in the past, conducted on behalf of lenders has been completed during the period. The professionals and experts so appointed have submitted their reports and/or recommendations including the Draft Resolution Plan which is pending before lenders for their consideration and decision.

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 Parent's 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, etc. and other ameliorative measures taken and/or proposed to be taken, the Parent will be able to restructure/reduce its outstanding amount of loan receivable in line with the same and generate sufficient cashflow to meet its obligations and strengthen its 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 arriving at the resolution plan, these unaudited consolidated financial results have been prepared on going concern basis.

7. The predecessor auditors' had issued an adverse opinion on the audited consolidated financial results 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. 2,83,496 Lakhs given to various parties as given in Note no. 5 are outstanding as on December 31, 2020. The issues raised are also being examined by relevant authorities including Registrar of Companies, outcome of which are awaited as on this date. Information required by the authorities have been provided and directions, if any received on conclusion of the proceedings will be dealt with appropriately to ensure necessary compliances. These matters are procedural in nature and/or are subject to the decision by the authorities and do not have any impact as such on the profit or loss for the period.
8. (a) Pending completion of debt restructuring process and consequential adjustment in this respect as per Note No. 6 above, Interest on borrowings have been provided by the Parent 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 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 final decision to be arrived at in this respect. 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 has not been recognised by the Parent to the extent of Rs. 3,909 Lakhs (including Rs. 1,727 Lakhs for the period) pending finalisation of debt resolution process.
9. Certain debt and credit balances other than borrowings dealt with in Note no. 8(a) including Inter-unit and other clearing balances, trade and other receivables/ Payables, advances from customers, loans and advances, other current assets and certain other liabilities including those relating to tea estates 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. In view of management's estimates and assumptions, impact of COVID 19 pandemic including on the carrying value of current and non-current assets is not expected to be material.

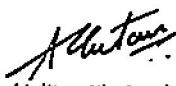


11. (a) The observations concerning Auditors' Opinion on the consolidated financial statements for the year ended March 31, 2020 and on the consolidated unaudited financial results for the quarter ended June 30, 2020 have been dealt with under Para 4 to 9 above. During the period, the Parent has obtained Shareholders' approval specifying the limit with respect to loans, guarantees and investments made or given by the Parent 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. 6 above and will then suitably be addressed in the subsequent periods.

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

For McLeod Russel India Limited

Place: Kolkata
Dated: February 12, 2021


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

