



McLEOD RUSSEL
Believe in tea

12th August 2022

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

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

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

Dear Sirs,

Sub: Outcome of Board Meeting

We wish to inform you that pursuant to Regulation 30, 33 and any other applicable regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors of the Company, at its meeting held today i.e. August 12, 2022, inter alia, has considered, approved and took on record the Unaudited Financial Results (Standalone and Consolidated) of the Company, for the first quarter ended on June 30, 2022 of the Financial Year 2022-23.

A copy of the said results along with the Limited Review Report issued by the Statutory Auditors' of the Company are enclosed herewith for your record.

The aforesaid financial results are also being made available on the website of the company i.e. www.mcleodrussel.com

The Board Meeting commenced at 03:30 p.m. and concluded at 06:05 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@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 Unaudited Standalone Financial Results of **McLeod Russel India Limited** ("the Company") for the Quarter ended on June 30, 2022 ("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 initiated 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 prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS - 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 5 below:
 - a) Note no. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,77,095 lakhs as on June 30, 2022 (including Interest of Rs. 1,934 lakhs accrued till March 31, 2019) given to certain companies which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. In absence of provision there against, loss for quarter is understated 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 June 30, 2022. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances;
 - c) Note No. 7(b) regarding non-recognition of Interest on Inter Corporate Deposits taken by the company and thereby the loss for the quarter is understated to the extent indicated in said note and non-determination of interest and other consequential adjustments/disclosures in absence of relevant terms and conditions and details in respect of short term borrowings included in Note no. 7(c) and certain advances being so claimed by customers as stated in Note no. 7(b). Further, as stated in Note no. 7(a), 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 determination of amount as stated herein above, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;



- d) Note no 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon dealt with in Note no. 7. Adjustments/Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us; and
- e) As stated in Note no. 6, the predecessor auditor pertaining to financial year ended March 31, 2019 in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They were not able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Company in accordance with paragraph 10 of Ind AS-24 "Related Party Disclosures". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the company. These amounts are outstanding as on this date and included in loans and advances dealt with in Note no. 4 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 periods subsequent to March 31, 2019 including 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 standalone financial results for the period which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India and has not disclosed fairly the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.
6. Attention is drawn to Note no. 5 of the statement dealing with going concern assumption for preparation of the financial results of the Company. The Company's current liabilities exceeded its current assets. The matters forming part of and dealt with under Para 4 above may have significant impact on the net worth of the company. Loans given to promoter group and certain other companies in earlier years have mostly 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 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 repayment, adjustments or restructuring of amount of loans outstanding on this date 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 plan 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.
7. Attention is invited to Note no. 3(b) regarding charging of managerial remuneration including for earlier period in this quarter on being approved by lenders in the meeting dated May 10, 2022. Reliance has been placed by us on the legal advice on the matter.



8. The statement include the financial results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31,2021 which were subject to limited review by us as required under the Listing Regulations.
9. Our conclusion on the statement is not modified in respect of the matters stated in Para (6) to (8) above.

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

R. P. Singh

R. P. Singh
Partner

Membership No. 052438
UDIN: 22052438AOXGXL1949

Place: Kolkata
Date: August 12, 2022



McLEOD RUSSEL INDIA LIMITED

Registered Office: Four Mangoe Lane, Kolkata - 700001

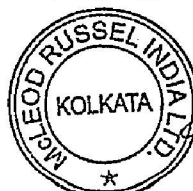
Web : www.mcleodrussel.com, Email id : administrator@mcleodrussel.com, Phone no: 033-2210-1221, Fax no.: 033-2248-3683

CIN: L51109WB1998PLC087076

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rs. in Lakhs except for EPS)

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited) Refer Note no. 10)	(Unaudited)	(Audited)
1 Revenue from Operations	16,288	19,437	15,309	1,10,853
2 Other Income	495	182	50	554
Total Income (1 + 2)	16,783	19,619	15,359	1,11,407
3 Expenses				
a) Cost of Materials Consumed	373	(127)	5,855	12,411
b) Changes in Inventories of Finished Goods	(10,510)	15,922	(13,027)	143
c) Employee Benefits Expense	18,278	11,912	14,539	57,548
d) Finance Costs	3,720	3,086	4,157	15,208
e) Depreciation and Amortisation Expenses	1,343	1,579	1,378	5,628
f) Other Expenses	7,458	2,139	8,187	31,881
Total Expenses	20,662	34,511	21,089	1,22,819
4. Profit/(Loss) before Tax (1+2-3)	(3,879)	(14,892)	(5,730)	(11,412)
5. Tax Expense				
a) Current Tax	-	-	-	-
b) Tax relating to earlier years (net)	-	43	-	43
c) Deferred Tax	(736)	2,351	42	2,162
Total Tax Expense	(736)	2,394	42	2,205
6 Profit/(Loss) for the period (4-5)	(3,143)	(17,286)	(5,772)	(13,617)
7 Other Comprehensive Income				
i) Items that will not be reclassified to profit or loss				
a) Remeasurements of post-employment defined benefit plans	(297)	475	(564)	(1,217)
b) Change in Fair Value of Equity instruments through other comprehensive income	(230)	629	460	887
ii) Income Tax relating to items that will not be reclassified to profit or loss	95	(152)	180	389
Total Other Comprehensive Income/(Loss)	(432)	952	76	59
8 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (6+7)	(3,575)	(16,334)	(5,696)	(13,558)
9 Earnings per Equity Share (EPS) (Rs.) (not annualised)				
Basic and Diluted	(3.01)	(16.56)	(5.53)	(13.04)
10 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223
11 Other Equity excluding Revaluation Reserve	-	-	-	1,15,743

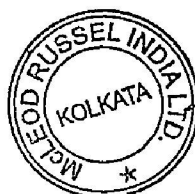


Notes to Unaudited Standalone Financial Results for the Quarter ended June 30, 2022

1. The above Unaudited Standalone financial result for the quarter ended June 30, 2022 (hereinafter referred to as "Financial Results") 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 Securities and Exchange Board of India (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 August 12, 2022 and have been subject to Limited Review by the Statutory Auditors.
2. (a) Cost of materials consumed represents green leaf purchased from external sources.

(b) The Company is primarily engaged in the business of cultivation, manufacture and sale of tea across various geographical locations. In term of Ind AS 108 "Operating Segment", the Company has one business segment i.e. Manufacturing and Selling of Tea.
3. Employee Benefit Expenses include:
 - a) Rs. 736 lakhs pertaining to the period from April 01, 2021 to March 31, 2022 and Rs. 78 Lakhs for the period from January 01, 2022 to March 31, 2022 pursuant to revision of remuneration payable to Staff in tea estate of Assam and Workers in tea estate of West Bengal respectively.
 - b) Rs. 1,026 lakhs (including Rs. 900 lakhs for the period from April 01, 2020 to March 31, 2022) being the amount paid to Managing and Wholtime Director on account of their remuneration and carried forward earlier as advance pending necessary approval in this respect. These amounts on being approved in the meeting dated May 10, 2022 of the banks and financial institutions based on legal advice have been charged to Statement of Profit and Loss.
4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,75,161 Lakhs as at June 30, 2022 (March 31, 2022: Rs. 2,75,161 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on June 30, 2022 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. These borrowing companies are in the process of recovering the money in turn advanced by them to entities including those where proceedings under Insolvency and Bankruptcy Code, 2016 (IBC) has been initiated. Resolution plan as stated in Note no. 5 below is currently 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 and no further provision/adjustment is required at this stage.
5. The performance of the company over the period even though has improved, the Company's financial position as such is continued to be under stress. The Inter-Corporate Deposits (ICDs) given to various group and other companies in earlier years along with interest to the extent accrued earlier are lying outstanding as on this date. Non-recovery of such ICDs have caused financial constraints resulting in hardship in servicing of the short term and long-term debts and meeting other liabilities.

The Resolution process of the company in terms of circular dated June 07, 2019 issued by the Reserve Bank of India are currently under evaluation by the lenders. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been signed by all the lenders (bankers). The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders had been completed. Techno Economic Viability (TEV) study carried out earlier had been re-vetted and confirmed. Valuation of tea estates and other assets are currently in process. The credit rating assigned by the rating agencies appointed by the lenders in case of one of the said agency is still under



consideration on review being sought based on rationales and related financial implication being provided in this respect. The draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation will be confirmed after obtaining the final valuation of the assets and credit rating of the company and will then be placed for necessary approval for implementation.

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 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 in due course of time, these financial results have been prepared on going concern basis.

6. The predecessor auditors' had issued an adverse opinion on the audited financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,75,161 Lakhs given to various parties as given in Note no. 4 are outstanding as on June 30, 2022. The issues raised including utilisation of amount of these loans etc. are also being examined by relevant authorities. Replies to the queries sought and information and details required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.
7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings from banks and financial institutions 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) Further, Interest of Rs. 7,022 Lakhs (including Rs. 306 Lakhs for the period) on Inter Corporate Deposits/ Short-Term Borrowings (Rs 21,060 lakhs outstanding as on June 30, 2022) taken by the company has not been recognised pending final settlement/finalisation of resolution plan. In respect of Rs. 11,065 lakhs included as above and certain outstanding advances of Rs. 5,000 lakhs being so claimed by customers, pending finalisation of terms and conditions thereof, interest if any payable in this respect are currently not determinable and as such the amount of interest in this respect has not been disclosed and included in the above amount.

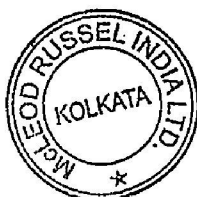
(c) The proceedings initiated under Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to a petition filed by a corporate lender having an outstanding balance of Rs. 10,000 lakhs had been closed following a settlement arrived by them. Rs. 12,000 lakhs had been paid to said corporate lender by certain parties on behalf of the company and differential of Rs. 2,000 lakhs pending payment of entire amount and finalisation of necessary terms etc. and non-recognition of interest as stated in 7(b) above has been carried forward in the financial statement. Adjustments/ Impact in this respect will be given effect to on final confirmation and ascertainment of amount thereof.



8. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 7, clearing accounts (other than inter-unit balances), trade and other payables, advances from customers, loans and advances (other than as dealt with in Note no. 4 above), 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.
9. The observations concerning Auditors' Conclusion/ Opinion on the standalone financial statements for earlier period have been dealt with under Para 4 to 8 above. The unresolved matters primarily relate to and are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent periods.
10. The figures for the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended December 31, 2021 which was subject to limited review by the Statutory Auditors.
11. Previous periods' figures have been regrouped/re-arranged wherever applicable to make them comparable with those of the current periods' presentation.

For McLeod Russel India Limited

Place: Kolkata
Dated: August 12, 2022




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

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

1. We have reviewed the accompanying Statement of Unaudited Consolidated 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 ended June 30, 2022 ("the Statement"), being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (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. Necessary reports and informations from Subsidiaries Independent Auditors' is awaited as on this date and as such we are unable to assess and comment on the work of said auditor. Other than this, we have performed the procedures for review in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations 2015, to the extent applicable
5. The Statement includes the results of the following Subsidiaries (including step down subsidiaries):
 - a) Borelli Tea Holdings Limited
 - b) McLeod Russel Uganda Limited
 - c) Phu Ben Tea Company Limited
 - d) McLeod Russel Africa Limited
 - e) McLeod Russel Middle East DMCC
6. Attention is drawn to the following Notes of the Statement which are subject matter of adverse conclusion as given in Para 7 below:
 - a) Note no. 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,77,095 lakhs as on June 30, 2022 (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 parent. In absence of provision there against, loss for quarter is understated 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 June 30, 2022. In absence of appropriate audit evidence and status thereof, we are unable to comment on the validity and recoverability of such advances;



- c) Note No. 7(b) regarding non-recognition of Interest on Inter Corporate Deposits taken by the Parent and thereby the loss for the quarter is understated to the extent indicated in said note and non-determination of interest and other consequential adjustments/ disclosures in absence of relevant terms and conditions and details in respect of short term borrowings including that stated in Note no. 7(c) and certain advances being so claimed by customers as stated in Note no. 7(b). Further, as stated in Note no. 7(a), 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 determination of amount as stated herein above, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;
 - d) Note no 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon dealt with in Note no. 7. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us; and
 - e) As stated in Note no. 6, the predecessor auditor pertaining to financial year ended March 31, 2019 in respect of loans included under paragraph (a) above have reported that it includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 could not be ascertained and commented upon by them. They were not able to ascertain if the aforesaid promoter companies could, in substance, be deemed to be related parties to the Parent in accordance with paragraph 10 of Ind AS-24 "Related Party Disclosures". Further certain ICDs as reported were in nature of book entries and/or are prejudicial to the interest of the Group. These amounts are outstanding as on this date and included in loans and advances dealt with in Note no. 4 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 periods subsequent to March 31, 2019 including 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 unaudited consolidated financial results for the period which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India and has not disclosed fairly the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.
 8. Attention is drawn to Note no. 5 of the Statement dealing with going concern assumption for preparation of the financial results of the Parent. 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. Loans given to promoter group and certain other companies in earlier years have mostly 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 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 repayment, adjustments or restructuring of amount of loans outstanding on this date 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 plan 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.
 9. Attention is invited to Note no. 3(b) regarding charging of managerial remuneration by the Parent including for earlier period in this quarter on being approved by lenders in their meeting dated May 10, 2022. Reliance has been placed by us on the legal advice on the matter.



10. 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. 6,926 lakhs, Net profit/(loss) after tax of (Rs. 677 lakhs) and total comprehensive income of (Rs. 856 lakhs) for the quarter ended June 30, 2022 as considered in the unaudited consolidated 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.
11. The statement include the financial results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2021 which were subject to limited review by us as required under the Listing Regulations.
12. Our conclusion on the Statement is not modified in respect of the matters stated in Para (8) to (11) above.

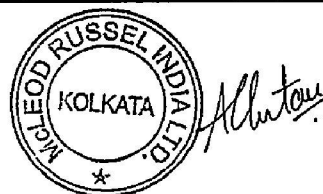
For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No. 301051E



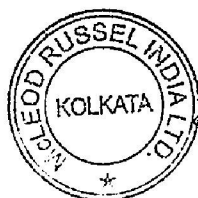
Place: Kolkata
Date: August 12, 2022

R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN: 22052438AOXHME3788

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 ENDED JUNE 30, 2022 (Rs. in Lakhs except for EPS)				
Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited) Refer Note no. 11)	(Unaudited)	(Audited)
1 Revenue from Operations	22,988	25,424	21,898	1,35,583
2 Other Income	657	(61)	271	1,009
Total Income (1 + 2)	23,645	25,363	22,169	1,36,592
3 Expenses				
a) Cost of Materials Consumed	1,141	1,227	6,860	17,912
b) Purchase of Tea	551	183	376	1,459
c) Changes in Inventories of Finished Goods	(8,317)	16,967	(11,126)	3,614
d) Employee Benefits Expense	19,508	13,434	15,940	63,717
e) Finance Costs	4,067	3,478	4,564	16,549
f) Depreciation and Amortisation Expenses	1,671	1,952	1,714	7,481
g) Other Expenses	9,539	5,190	10,669	42,078
Total Expenses	28,160	42,431	28,997	1,52,810
4 Profit/(Loss) before share of profit/(loss) of Associate, Exceptional Items and Tax (1+2-3)	(4,515)	(17,068)	(6,828)	(16,218)
5 Share of Profit/(Loss) of Associate	-	-	-	-
6 Profit/(Loss) before Tax (4+5)	(4,515)	(17,068)	(6,828)	(16,218)
7 Tax Expense				
a) Current Tax	41	22	(108)	(140)
b) Tax relating to earlier years (net)	-	43	-	43
c) Deferred Tax	(736)	2,160	(17)	1,971
	(695)	2,225	(125)	1,874
8 Profit/(Loss) for the period (6-7)	(3,820)	(19,293)	(6,703)	(18,092)
9 Other Comprehensive Income				
A i) Items that will not be reclassified to profit or loss				
a) Remeasurements of post-employment defined benefit plans	(297)	434	(564)	(1,258)
b) Change in Fair Value of Equity Instruments through other comprehensive income	(230)	629	460	887
ii) Income Tax relating to items that will not be reclassified to profit or loss	95	(139)	180	402
B i) Items that will be reclassified to profit or loss				
a) Exchange differences on translation of foreign operations	422	242	408	607
Total Other Comprehensive Income/(Loss)	(10)	1,166	484	638
10 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (8+9)	(3,830)	(18,127)	(6,219)	(17,454)
11 Profit/(Loss) for the period attributable to :				
Owners' of the Parent Company	(3,820)	(19,293)	(6,703)	(18,092)
Non-controlling interests	-	-	-	-
12 Other Comprehensive Income/(Loss) for the period attributable to :				
Owners' of the Parent Company	(10)	1,166	484	638
Non-controlling interests	-	-	-	-
13 Total Comprehensive Income for the period attributable to :				
Owners' of the Parent Company	(3,830)	(18,127)	(6,219)	(17,454)
Non-controlling interests	-	-	-	-
14 Earnings per Equity Share (EPS) (Rs.) (not annualised)				
Basic and Diluted	(3.66)	(18.47)	(6.42)	(17.32)
15 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	5,223	5,223	5,223	5,223
16 Other Equity excluding Revaluation Reserve	-	-	-	1,32,271



(Rs. in Lakhs)				
Segment Information:				
Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited) Refer Note no. 11)	(Unaudited)	(Audited)
Segment Revenue:				
India	16,245	19,404	14,619	1,09,929
Vietnam	602	1,374	1,447	5,579
Uganda	5,238	4,000	5,086	17,547
UK	261	77	220	275
Others	642	569	526	2,253
Total	22,988	25,424	21,898	1,35,583
Segment Result:				
India	(4,063)	(14,981)	(6,234)	(12,021)
Vietnam	(653)	(2,004)	(249)	(3,517)
Uganda	21	(21)	(213)	(674)
UK	120	(56)	(141)	44
Others	60	(6)	9	(50)
Profit/(Loss) before Share of Profit and Tax	(4,515)	(17,068)	(6,828)	(16,218)
Share of Profit of Associate	-	-	-	-
Profit/(Loss) before Taxation	(4,515)	(17,068)	(6,828)	(16,218)
Less Taxation :				
Current tax	41	22	(108)	(140)
Income tax relating to earlier years (net)	-	43	-	43
Deferred tax	(736)	2,160	(17)	1,971
	(695)	2,225	(125)	1,874
Profit/(Loss) after taxation	(3,820)	(19,293)	(6,703)	(18,092)
Depreciation and amortisation relating to segments:				
India	1,343	1,579	1,378	5,627
Vietnam	29	91	30	542
Uganda	285	267	291	1,248
UK	14	14	15	59
Others	-	1	-	5
Total	1,671	1,952	1,714	7,481
Segment Assets				
India	4,45,466	4,33,851	4,49,224	4,33,851
Vietnam	8,589	9,444	12,479	9,444
Uganda	26,406	27,700	28,354	27,700
UK	3,750	4,138	4,309	4,138
Others	1,267	1,166	1,443	1,166
Total	4,85,478	4,76,299	4,95,809	4,76,299
Segment Liabilities				
India	2,99,743	2,84,553	2,92,064	2,84,553
Vietnam	5,074	5,529	5,393	5,529
Uganda	19,392	20,743	21,862	20,743
UK	123	515	148	515
Others	103	86	234	86
Total	3,24,435	3,11,426	3,19,701	3,11,426



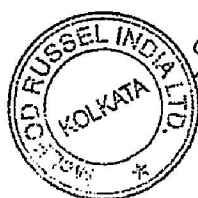
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Notes to Unaudited Consolidated Financial Results for the quarter ended June 30, 2022

1. (a) The above unaudited consolidated financial results of McLeod Russel India Limited ('the Parent Company') and its subsidiaries (together referred to as the 'Group') for the quarter ended June 30, 2022 (hereinafter referred to as "Consolidated Financial Results") 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 Securities and Exchange Board of India (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 August 12, 2022 and have been subject to Limited Review by the Statutory Auditors.

(b) The consolidated financial results for the quarter ended June 30, 2022 include the figures of the Parent 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).
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 location and accordingly India, Vietnam, Uganda, UK and others have been considered to be reportable segment.
3. Employee Benefit Expenses include:
 - a) Rs. 736 lakhs pertaining to the period from April 01, 2021 to March 31, 2022 and Rs. 78 Lakhs for the period from January 01, 2022 to March 31, 2022 pursuant to revision of remuneration payable to Staff in tea estate of Assam and Workers in tea estate of West Bengal respectively.
 - b) Rs. 1,026 lakhs (including Rs. 900 lakhs for the period from April 01, 2020 to March 31, 2022) being the amount paid to Managing and Wholetime Director on account of their remuneration and carried forward earlier as advance pending necessary approval in this respect. These amounts on being approved in the meeting dated May 10, 2022 of the banks and financial institutions based on the legal advice have been charged to statement of profit and loss.
4. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies by the Parent, the amount outstanding aggregates to Rs. 2,75,161 Lakhs as at June 30, 2022 (March 31, 2022: Rs. 2,75,161 Lakhs) (net of provision of Rs. 1,098 Lakhs). Interest accrued upto March 31, 2019 and remaining unpaid as on June 30, 2022 aggregates to Rs. 1,934 Lakhs (net of provision of Rs. 7,999 Lakhs). Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, has not been accrued since April 01, 2019. These borrowing companies are in the process of recovering the money in turn advanced by them to entities including those where proceedings under Insolvency and Bankruptcy Code, 2016 (IBC) has been initiated. Resolution plan as stated in Note no. 5 below is currently 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 and no further provision/adjustment is required at this stage.
5. The performance of the parent over the period even though has improved, the Parent's financial position as such is continued to be under stress. The Inter-Corporate Deposits (ICDs) given to various group and other companies in earlier years along with interest to the extent accrued earlier are lying outstanding as on this date. Non-recovery of such ICDs have caused financial constraints resulting in hardship in servicing of the short term and long-term debts and meeting other liabilities.



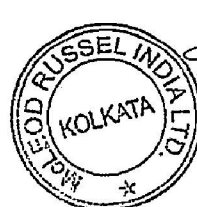
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The Resolution process of the parent in terms of circular dated June 07, 2019 issued by the Reserve Bank of India are currently under evaluation by the lenders. Inter-Creditor Agreement (ICA) for arriving at and implementing the resolution plan has been signed by all the lenders (bankers). The forensic audit for utilisation of funds borrowed in the past, conducted on behest of lenders had been completed. Techno Economic Viability (TEV) study carried out earlier had been re-vetted and confirmed. Valuation of tea estates and other assets of the parent are currently in process. The credit rating assigned by the rating agencies appointed by the lenders in case of one of the said agency is still under consideration on review being sought based on rationales and related financial implication being provided in this respect. The draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker along with their recommendation will be confirmed after obtaining the final valuation of the assets and credit rating of the parent and will then be placed for necessary approval for implementation.

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 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 in due course of time, these consolidated financial results have been prepared on going concern basis.


6. The predecessor auditors' had issued an adverse opinion on the audited consolidated financial statement for the year ended March 31, 2019. Inter-Corporate Deposits to companies as dealt herein above in Note no. 4 include amounts reported upon by predecessor auditor being in the nature of book entries. This includes amounts given to group companies whereby applicability of Section 185 of the Companies Act, 2013 and related non-compliances, if any could not be ascertained and commented upon by them. Loan of Rs. 2,75,161 Lakhs given to various parties as given in Note no. 4 are outstanding as on June 30, 2022. The issues raised including utilisation of amount of these loans etc. are also being examined by relevant authorities. Replies to the queries sought and information and details required by the authorities have been provided and final outcome and/or directions if any are awaited as on this date.
7. (a) Pending approval of resolution plan and completion of debt restructuring process and consequential adjustment in this respect as per Note No. 5 above, Interest on borrowings from banks and financial institutions 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.

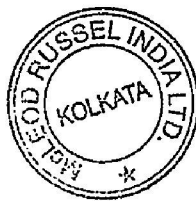
(b) Further, Interest of Rs. 7,022 Lakhs (including Rs. 306 Lakhs for the period) on Inter Corporate Deposits/ Short-Term Borrowings (Rs 21,060 lakhs outstanding as on June 30, 2022) taken by the parent has not been recognised pending final settlement/finalisation of resolution plan. In respect of Rs. 11,065 lakhs included as above and certain outstanding advances of Rs. 5,000 lakhs being so claimed by customers, pending finalisation of terms and conditions thereof, interest if any payable in this respect are currently not determinable and as such the amount of interest in this respect has not been disclosed and included in the above amount.



- (c) The proceedings initiated under Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to a petition filed by a corporate lender having an outstanding balance of Rs. 10,000 lakhs had been closed following a settlement arrived by them. Rs. 12,000 lakhs had been paid to said corporate lender by certain parties on behalf of the parent and differential of Rs. 2,000 lakhs pending payment of entire amount and finalisation of necessary terms etc. and non-recognition of interest as stated in 7(b) above has been carried forward in the consolidated financial statement. Adjustments/ Impact in this respect will be given effect to on final confirmation and ascertainment of amount thereof.
8. In case of Parent, certain debit and credit balances including borrowings and interest thereupon dealt with in Note no. 7, clearing accounts (other than inter-unit balances), trade and other payables, advances from customers, loans and advances (other than as dealt with in Note no. 4 above), 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.
 9. The observations concerning Auditors' Conclusion/ Opinion on the consolidated financial statements for the earlier period have been dealt with under Para 4 to 8 above. The unresolved matters primarily relate to and are expected to be resolved on the outcome of the resolution plan under consideration for approval as per Note no. 5 above and will then suitably be addressed in the subsequent periods.
 10. The carrying amount of Investment in one of the associate namely D1 Williamson Bio Fuel Limited is Nil as the entire value of such investments was provided for in earlier years on account of diminution in its value as a result of its negative Net Worth. In view of the above, no further accounting under equity method has been done in these consolidated financial results.
 11. The figure for the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended December 31, 2021 which was subject to limited review by the Statutory Auditors.
 12. Previous periods' figures have been regrouped/re-arranged wherever applicable to make them comparable with those of the current periods' presentation.

For McLeod Russel India Limited


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



Place: Kolkata
Dated: August 12, 2022

