McLEOD RUSSEL
Believe in tea

13th February 2025

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 Sir/Madam,

Sub: Outcome of Board Meeting

This is to inform you that 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, i.e., 13th February 2025, have inter-alia approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended 31st December 2024 along with "Limited Review Report" submitted by M/s. Lodha & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

A copy of the aforesaid Results is enclosed herewith.

The Board Meeting commenced at 02:30 p.m. and concluded at 5:00 p.m.

The above is for your information and records.

Thanking you,

Yours faithfully,

For McLEOD RUSSEL INDIA LIMITED

Alok Samant

(ALOK KUMAR SAMANT)
COMPANY SECRETARY

McLEOD RUSSEL INDIA LIMITED KOLKATA

Encl: As above

LODHA & CO LLP
Chartered Accountants

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

Independent Auditors' 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 and Nine Months ended on December 31, 2024 ("the Statement" or "financial results"). 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 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 express a conclusion 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 4 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,050 lakhs (including interest accrued till March 31, 2019) as on December 31, 2024 given to promoter group and certain other entities which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the company. Provision of Rs. 1,01,039 lakhs had been made thereagainst in earlier years. In absence of ascertainment and provision against the remaining amount, the loss for the period is understated to that extent. Impact in this respect have not been ascertained by the management and recognised in these financial results;

   b) Note 7(b) regarding non-recognition of Interest on loans, Inter Corporate Deposits and other amounts taken by the company and thereby the loss for the period 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 in respect of certain advances being so claimed by customers as stated therein. Further, as stated in Notes 7(a) and 7(b), penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution/Asset Reconstruction Company ('ARC') and ICDs etc. respectively have not been recognised and amount payable to lenders and other parties as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;

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c) Note 5(b) regarding non-determination of fair value of the Property, Plant and Equipment, Capital Work in Progress, Other Intangible Assets and Investment in subsidiary and impairment if any to be recognized thereagainst for the reasons stated in the said note. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us;

d) Note 7(d) regarding non-determination/ recognition of amount payable in respect of claims pursuant to the undertaking executed between the company and the lenders in respect of certain group companies as dealt with in the said note and Note 7(c) regarding company's obligation in respect of the settlement arrived at with a corporate lender. Pending determination of the company's obligations and finalization of terms and conditions following the agreement arrived at with the parties, adjustments to be made in the financial results of the company are currently not ascertainable and as such cannot be commented upon by us;

e) Note 7(e) regarding non-determination and recognition of amount payable in respect of rent for office premises. Pending final determination of amount payable, adjustments and impacts arising therefrom as stated in the said note have not been ascertained and as such cannot be commented upon by us;

f) Note 7(f) dealing with statutory liabilities outstanding as at the end of the period and non-determination of adjustments to be given effect to in this respect if any including interest as stated in the said note. Pending final determination of amount, adjustments and impacts arising therefrom as stated in the said note have not been ascertained and as such cannot be commented upon by us;

g) Note 8 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon as dealt with in Note 7. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us; and

h) As stated in Note 6, the predecessor auditor pertaining to the financial year ended March 31, 2019 in respect of the 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 the nature of book entries and/or are prejudicial to the interest of the company. Moreover, in case of advance of Rs. 1,400 lakhs to a body corporate which had subsequently been fully provided for, appropriate audit evidences as stated were not made available. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the company are valid for 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) are 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 has 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.

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6. Attention is drawn to Note no. 5(a) of the financial results dealing with going concern assumption for preparation of the financial results of the Company. The Company's current liabilities have exceeded its current assets and operational losses incurred in earlier periods have affected the net worth of the company. Further, the affairs including the matters forming part of and dealt with under Para 4 above have further impact to a significant extent on the net worth of the company. Loans given to the promoter group and certain other entities in earlier years have mostly been utilized for providing financial support to a promoter group company in respect of which resolution plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata pursuant to CIRP proceedings is under implementation and the amounts outstanding and lying unpaid are doubtful of recovery. Non-payment of these and operational losses incurred in earlier periods by the company have 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 including statutory and employee's related dues including arrear of provident fund demanded by the authorities could not be met as well.

The lender banks as stated in Note no. 5(a) have currently initiated the process of assigning their debt owed by the company to them to an Asset Reconstruction Company ('ARC') (over and above the amount already assigned to another ARC) and resolution thereof is dependent upon company's proposal being accepted by the ARC subsequent to such assignment. The circumstances, prevailing situation and 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 the management on a going concern basis, based on the management's assessment of the expected successful outcome of the proposal to be submitted on completion of the assignment as stated above and consequential restructuring/settlement of the amount payable against borrowings and costs related thereto as per Note 5(a) to a sustainable level and tenure so that to ensure liquidity in the system over a period including as stated by the management by way of asset monetization, promoter's contribution etc. for repayment of the debt, and meeting liabilities and other statutory obligations of the company. The ability to continue as a going concern is dependent upon arriving at a suitable resolution with respect to the company's borrowing including the amount payable in this respect to the bankers and/or to the ARC in cases of assignment of debt and cost as expected as on this date and/or timely implementation thereof. Further, employees, statutory and other liabilities including for which demands have been raised by the authorities are required to be settled and/or agreed upon for payment. In the event of the management's expectation and estimation in this respect, not turning out to be feasible in future, validity of assumption for going concern and possible impact thereof including on carrying value of tangible and intangible assets even though expected to be material, as such presently cannot be commented upon by us. Our conclusion is not modified in respect of this matter.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No. 301051E/ E300284

LODHA & CO LLP
KOLKATA
Chartered Accountants

V. Matta

Vikram Matta
Partner
Membership No. 054087
UDIN: 25054087BMNWCU6382

Place: Kolkata
Date: February 13, 2025

McLEOD RUSSEL INDIA LIMITED

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2024

(Rs. in Lakhs except for EPS)

	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	33,417	41,150	28,952	89,647	76,679	92,342
2	Other Income	80	50	62	154	213	439
	Total Income (1+2)	**33,497**	**41,200**	**29,014**	**89,801**	**76,892**	**92,781**
3	**Expenses**						
	a) Cost of Materials Consumed	254	(223)	728	8	1,249	1,242
	b) Changes in Inventories of Finished Goods	6,858	(6,163)	8,205	(8,457)	(11,316)	644
	c) Employee Benefits Expense	19,206	20,171	16,853	56,212	54,118	68,781
	d) Finance Costs	5,774	4,429	4,299	14,494	13,529	18,504
	e) Depreciation and Amortisation Expenses	1,251	1,249	1,304	3,749	3,904	5,202
	f) Other Expenses	9,345	11,716	6,632	27,447	23,958	28,859
	Total Expenses	**42,688**	**31,179**	**38,021**	**93,453**	**85,442**	**1,23,232**
4	**Profit/(Loss) before Tax (1+2-3)**	**(9,191)**	**10,021**	**(9,007)**	**(3,652)**	**(8,550)**	**(30,451)**
5	**Tax Expense**						
	a) Current Tax	(583)	583	(411)	-	1,041	-
	b) Income Tax relating to earlier years	-	-	-	-	3	3
	c) Deferred Tax	(795)	674	(786)	(960)	(2,070)	(3,889)
	Total Tax Expense	**(1,378)**	**1,257**	**(1,197)**	**(960)**	**(1,026)**	**(3,886)**
6	**Profit/(Loss) for the period (4-5)**	**(7,813)**	**8,764**	**(7,810)**	**(2,692)**	**(7,524)**	**(26,565)**
7	**Other Comprehensive Income**						
	i) Items that will not be reclassified to profit or loss a) Remeasurements of post-employment defined benefit plans	(506)	(507)	(705)	(1,519)	(1,837)	(1,593)
	b)Change in Fair Value of Equity instruments through other comprehensive income	(993)	1,740	(835)	1,344	980	1,026
	ii) Income Tax relating to items that will not be reclassified to profit or loss	162	162	225	486	587	509
	Total Other Comprehensive Income (net of taxes)	**(1,337)**	**1,395**	**(1,315)**	**311**	**(270)**	**(58)**
8	**Total Comprehensive Income for the period (comprising of profit and loss and other comprehensive income for the period) (6+7)**	**(9,150)**	**10,159**	**(9,125)**	**(2,381)**	**(7,794)**	**(26,623)**
9	**Earnings per Equity Share (EPS) (Rs.) (not annualised)** Basic and Diluted	(7.48)	8.39	(7.47)	(2.58)	(7.20)	(25.43)
10	**Paid-up Equity Share Capital: Face Value : Rs. 5/- per share**	5,223	5,223	5,223	5,223	5,223	5,223
11	**Other Equity excluding Revaluation Reserve**						(16,062)

Notes to Unaudited Standalone Financial Results for the Quarter and Nine Months ended December 31, 2024

1. The above Unaudited Standalone financial results for the quarter and nine months ended December 31, 2024 (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 provisions 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 the Audit Committee and approved by the Board of Directors at their meeting held on February 13, 2024 and have been subjected 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.

   (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, 2024 should not be construed as indicative of possible results for year ending March 31, 2025.

3. Remuneration to the extent of Rs. 492 Lakhs (including Rs. 225 lakhs for the period) has been paid to the Managing Director for the period from May 17, 2023 to December 31, 2024 as decided by the Shareholder vide their special resolution dated July 14, 2023. The company prior to the said resolution as required in terms of Schedule V of the Companies Act, 2013 has made Application to the banks and financial institution for their approval and the same is awaited as on this date. Accordingly, the said amount being paid and held in trust have been recognised as advances, pending the aforesaid approval.

4. In respect of Inter-Corporate Deposits ('ICDs') given to Promoter group and certain other entities ('borrowing companies'), the amount outstanding aggregates to Rs. 2,76,109 Lakhs as at December 31, 2024. Further, interest of Rs.9,941 lakhs on these amounts accrued upto March 31, 2019 are also outstanding as on this date. Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, have not been accrued since April 01, 2019. These borrowing companies in turn advanced the amount so taken by them to Promoter Group and other entities mainly to provide financial support to one of the promoter group company against which Corporate Insolvency and Resolution Process ('CIRP') as per the Insolvency and Bankruptcy Code, 2016 ('IBC') was subsequently initiated and the Resolution Plan as approved by the Hon'ble National Company Law Tribunal ('NCLT'), Kolkata is currently under implementation. Provision of Rs. 1,01,039 lakhs (including interest of Rs. 9,941 lakhs accrued upto March 31, 2019) made in earlier years on lumpsum basis without prejudice to the company's legal right to recover the amounts given by it has been carried forward during the period and adjustments considering the amount finally recoverable against outstanding amounts of ICDs is pending determination as on this date. Pending this and the resolution with respect to the company's borrowing as dealt with in Note 5(a) below, impact in this respect have not been ascertained and given effect to in these financial results for the period ended December 31, 2024.

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5. (a) The Company's financial position is continued to be under stress and it is passing through prolonged financial distress over a considerable period of time. The realisation against tea even though has improved to certain extent, there was loss of crop owing to weather conditions having impact on the volume of operations and the company's performance on an overall basis. The Inter-Corporate Deposits ('ICDs') given to various Promoter group and certain other entities in earlier years along with interest to the extent accrued earlier are lying outstanding as on this date. The operational performance as stated above added to the financial constraints being faced by the company resulting in hardship in servicing of the short term and long-term debts and meeting it's statutory and other liabilities. Certain repayments were however, made to lenders against borrowings apart from by invocation of securities etc. by them, and through cut-back against sale proceeds of tea in earlier periods, but the fund generated through the operation have turned out to be highly insufficient for making payment towards company's obligations including those relating to Employees, statutory and other liabilities causing accumulation of amounts lying unpaid against these liabilities to a significant extent at the end of the period.

The Resolution process of the company in terms of the circular dated June 07, 2019 issued by Reserve Bank of India ('RBI') was initiated long back in earlier years. Inter-Creditor Agreement ('ICA') for arriving at and implementing the resolution plan was signed by all the lenders ('bankers'). Moreover, the forensic audit for the utilisation of funds borrowed in the past conducted on behest of the lenders, Techno Economic Viability (TEV) study, Valuation of tea estates and other assets and credit rating for draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker was completed. Even offer for One Time payment of Rs. 1,03,000 lakhs ('OTS') in settlement of the entire amount outstanding against their loans including interest thereon was made at the behest of the lenders by the company. Subsequently in absence of the consensus among the lenders with respect to OTS, the company on the request of the lenders had submitted a fresh resolution plan in the month of January 2024. Meanwhile, certain lenders and other creditors have filed petitions before Debt Recovery Tribunal ('DRT') and under Insolvency and Bankruptcy Code, 2016 ('IBC') with Hon'ble National Company Law Tribunal, Kolkata ('NCLT') which are pending as on this date.

Currently, the valuations of the company carried out by three Independent Valuers appointed by the lender banks have been completed and the reports submitted by them as stated by the management are under consideration of the lenders. The lenders in terms of the master direction on transfer of loan exposure dated September 24, 2001 and other directions issued by the RBI from time to time, vide public notification dated December 06, 2024 have invited expression of interest ('EOI') for sale/assignment of the debts aggregating to Rs.1,10,469 lakhs representing the principal amount thereof following Swiss Challenge Bid Process ('the Bid' or 'the Bid process') based on the existing offer ('Anchor Bid') by one of the Asset Reconstruction Company ('ARC'). The bidding process assisted by PNB Investment Services Limited ('PNBISL' or 'process advisor') as mandated by the lenders for the purpose has since been completed and deadline for submission of the bid has expired. Following this, the approvals for assignment of the aforesaid debt by the respective lenders pursuant to the Anchor bid in place are awaited as on this date.

The management is confident that on completion of the assignment, a suitable resolution with respect to the company's entire borrowings from banks/financial institution/ARC, principal amount aggregating to Rs. 1,46,107 lakhs (Including Rs. 35,638 lakhs already assigned to an ARC) will be arrived at and a sustainable amount along with related costs thereto and the period of repayment etc in this respect will be agreed upon in the due course of time.

Considering the resolution with respect to the debt post assignment as above and expected outcome thereof along with management's continuous effort for rationalising operational costs as well and additional fund to be made available in the system on arriving at the expected resolution or otherwise and other ameliorative measures taken and/or proposed to be taken, it is envisaged that the company will be able to strengthen its financial position over a period of time.

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In view of the measures dealt herein above being under active consideration as on this date, these financial results have been prepared on a going concern basis.

(b) As stated above, the Company has been incurring significant amount of losses and it's current liabilities are in excess of the current assets. Considering these indicators and circumstances stated herein above in Note 5(a), fair Value of Property, Plant and Equipment, Capital Work in progress and other Intangible Assets ('CGU') are required to be assessed for testing of Impairment thereagainst. Further, the company has investment of Rs. 15,967 lakhs in Borelli Tea Holdings Limited ('BTHL'), which has substantial investment in it's wholly owned subsidiary Mcleod Russel Uganda Limited ('MRUL'). MRUL has been incurring cash losses and thereby it's debt and liabilities have disproportionately increased due to non-payment thereof. Investments in BTHL are therefore also required to be tested for impairment as on December 31, 2024. The valuation exercise in this respect considering the valuation arrived at pursuant to Note 5(a) above, will be undertaken at the year-end. Pending this, impairment if any in the value of CGU and Investments as such, have not been determined and recognised in these financial results.

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 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. 1,85,011 Lakhs (net of provision) given to various parties as stated in Note 4 above are outstanding as on December 31, 2024. The issues raised including utilisation of amount of these loans etc. are also being examined by the 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 assignment of the borrowings by the lenders as dealt with in Note 5(a) above and subsequent resolution thereto and consequential adjustment in this respect, Interest on borrowings from banks including those assigned to the Asset Reconstruction Company 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, amount repaid to lenders and/or recovered by them including by invoking securities and cut back payments from the sale proceeds of the tea etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amounts of borrowing including interest thereagainst is subject to confirmation and determination and consequential reconciliation and resolution to be arrived at as dealt with in Note 5(a) and will accordingly be dealt with on determination thereof.

(b) Further, Interest of Rs. 16,474 Lakhs (including Rs. 2,265 Lakhs for the period) on Inter Corporate Deposits/ Short-Term Borrowings of Rs. 27,600 lakhs outstanding as on December 31, 2024 taken by the company has not been recognised. Interest in this respect in line with Note 7(a) above have been determined on simple basis at stipulated rates or otherwise advised/ considered for similar arrangements from time to time. This includes payments made by certain body corporates on behalf of the company towards settlement of debts and advances taken in earlier years, pending finalisation of terms and conditions with respect to these amounts. This however does not include interest if any on outstanding advances aggregating to Rs. 3,700 lakhs from customers, pending recognition as Inter Corporate Deposits and finalisation of terms and conditions thereof. Further, Interest including compound/ penal interest if any payable with respect to these are currently not determinable and as such the amount in this respect have not been disclosed and included herein above.

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(c) In terms of the settlement arrived at for repayment of dues of Rs. 10,000 lakhs of a corporate lender in earlier years by another party on behalf of the company, Rs. 3,500 lakhs (including Rs. 1,500 lakhs so paid on behalf of the company during the quarter and nine months ended December 31, 2024) so far paid over and above the principal amount in terms of said settlement has been charged out as finance cost. Pending finalisation of the terms and conditions with respect to company's obligation in this respect, further adjustments required if any in this respect are presently not ascertainable.

(d) The company had given undertaking to IL&FS Infrastructure Debt Fund ('ILFS-IDF') and Aditya Birla Finance Limited ('ABFL') in connection with borrowings and other facilities availed by the group entities. Pursuant to the agreements entered with ILFS-IDF and ABFL, the claim made by them have been settled during the year ended March 31, 2024 for Rs. 4,967 lakhs and Rs. 3,200 lakhs respectively by Dufflaghur Investment Limited ('Dufflaghur'). The company's obligations in this respect and related terms and condition thereof and consequential impact if any in this respect have presently not been determined and therefore has not been given effect to in these financial results.

(e) Lease Agreement in respect of premises having registered and corporate office of the company has expired on August 31, 2022 and terms thereof are yet to be finalised by the lessor. Pending this the amount of rent payable by the company being non-determinable as such has not been recognised in these financial results.

(f) The company has statutory liabilities lying unpaid as on December 31, 2024 and in certain cases demands have been received from the authorities. Necessary representations have been made to the authorities explaining the financial stringencies (as stated in Note 5(a)) currently being faced by it and the amount of interest etc. thereagainst has not been recognised in these financial results. The amounts as demanded are also subject to reconciliation with the books of accounts of the respective tea estates and adjustments/ impact in this respect are therefore currently not ascertainable.

(g) Adjustments, if any required with respect to (a) to (f) above will be recognised on determination thereof and will then be given effect to in the financial results of subsequent periods.

8. Certain debit and credit balances including borrowings and interest thereupon dealt with in Note 7, statutory liabilities including as dealt with in Note 7(f), clearing accounts (other than inter-unit balances), trade and other payables, advances from customers, loans and advances, trade and other receivables, 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. Borelli Tea Holdings Limited ('BTHL'), a wholly owned subsidiary of the company entered into a capital contribution agreement with TLK Agriculture Joint Stock Company ('TLK'), taking Phu Ben Tea Company Limited ('PBTCL') (a Step Down subsidiary of the company) as a party to the said agreement whereby BTHL had sold 100% of Capital Contribution in PBTCL at a consideration of USD 2,15,00,00 to TLK. Consideration against these shares being pledged to one of the lender banks who has assigned it's loan to an ARC, Rs. 1,921 lakhs as received in this respect has been adjusted by them against their outstanding dues on May 03, 2024. Such amount as stated in Note 7(a) has been adjusted against principal outstanding and an equivalent amount has been recognised as ICD from BTHL.

10. The observations concerning Auditors' Conclusion/ Opinion on the standalone financial results/ statements for earlier period have been dealt with in Note no. 4 to 8 above. The unresolved matters primarily relate to and are expected to be resolved on the outcome of the resolution as per Note5(a) above and will then suitably be addressed in the subsequent periods.

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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

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

Place: Kolkata
Dated: February 13, 2025

LODHA & CO LLP KOLKATA Chartered Accountants

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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 and Nine Months ended December 31, 2024 ("the Statement" or "consolidated financial results"), being submitted by the Parent 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 initialled by us for identification purposes.

2. This Statement which is the responsibility of the Parent's Management 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 express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. We also 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):
   - Wholly Owned Subsidiary
     a) Borelli Tea Holdings Limited (BTHL)

   - Stepdown Subsidiaries (Wholly Owned subsidiaries of BTHL)
     a) McLeod Russel Uganda Limited (MRUL)
     b) McLeod Russel Africa Limited (MRAL)
     c) McLeod Russel Middle East DMCC (MRME)

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 5 dealing with Inter Corporate Deposits (ICD) aggregating to Rs. 2,86,050 lakhs (including interest accrued till March 31, 2019) as on December 31, 2024 given to promoter group and certain other entities which are doubtful of recovery and considering recoverability etc. are prejudicial to the interest of the parent. Provision of Rs. 1,01,039 lakhs had been made there against in the earlier years. In absence of ascertainment and provision against the remaining amount, the loss for the period is understated to that extent. Impact in this respect as stated in the said note have not been ascertained by the management and recognised in these consolidated financial results;

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b) Note 8(b) regarding non-recognition of Interest on loans, Inter Corporate Deposits and other amounts taken by the parent and thereby the loss for the period 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 in respect of certain advances being so claimed by customers as stated therein. Further, as stated in Note 8(a) and 8(b), penal/compound interest and other adjustments in respect of borrowings from lenders/banks/financial institution/Asset Reconstruction Company ('ARC') and ICDs etc. respectively have not been recognised and amount payable to lenders and other parties as recognised in this respect are subject to confirmation from respective parties and consequential reconciliation. Pending final determination of amount with respect to these, adjustments and impacts arising therefrom have not been ascertained and as such cannot be commented upon by us;

c) Note 7(c) regarding non-determination of fair value of the Property, Plant and Equipment, Capital Work in Progress, Other Intangible Assets and Goodwill arising on consolidation and impairment if any to be recognized thereagainst for the reasons stated in the said note. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us;

d) Note 8(d) regarding non-determination/ recognition of amount payable in respect of claims pursuant to the undertaking executed between the parent and the lenders in respect of certain group companies as dealt with in the said note and Note 8(c) regarding parent's obligation in respect of the settlement arrived at with a corporate lender. Pending determination of the parent's obligations and finalization of terms and conditions following the agreement arrived at with the parties, adjustments to be made in the financial results of the parent are currently not ascertainable and as such cannot be commented upon by us;

e) Note 8(e) regarding non-determination and recognition of amount payable in respect of rent for office premises. Pending final determination of amount payable, adjustments and impacts arising therefrom as stated in the said note have not been ascertained and as such cannot be commented upon by us;

f) Note 8(f) dealing with statutory liabilities outstanding as at the end of the period and non-determination of adjustments to be given effect to in this respect if any including interest as stated in the said note. Pending final determination of amount, adjustments and impacts arising therefrom as stated in the said note have not been ascertained and as such cannot be commented upon by us;

g) Note 9 regarding non reconciliation/disclosure of certain debit and credit balances with individual details and confirmations etc. including borrowings and interest thereupon as dealt with in Note 8. Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us; and

h) As stated in Note 6, the predecessor auditor pertaining to financial year ended March 31, 2019 in respect of the 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 Group in accordance with paragraph 10 of Ind AS-24 "Related Party Disclosures". Further, certain ICDs as reported were in the nature of book entries and/or are prejudicial to the interest of the parent. Moreover, in case of advance of Rs. 1,400 lakhs to a body corporate which had subsequently been fully provided for, appropriate audit evidences as stated were not made available. These amounts are outstanding as on this date and status thereof have remained unchanged and uncertainty and related concerns including utilisation thereof and being prejudicial to the interest of the parent are valid for 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.

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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) are 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 has 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. 7(a) of the consolidated financial results dealing with going concern assumption for preparation of the financial results of the Parent. The Parent's current liabilities have exceeded its current assets and operational losses incurred in earlier periods have affected the net worth of the parent. Further, the affairs including the matters forming part of and dealt with under Para 6 above have further impact to a significant extent on the net worth of the parent. Loans given to the promoter group and certain other entities in earlier years have mostly been utilized for providing financial support to a promoter group company in respect of which resolution plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata pursuant to CIRP proceedings is under implementation and the amounts outstanding and lying unpaid are doubtful of recovery. Non-payment of these and operational losses incurred in earlier period by the parent have 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 including statutory and employee's related dues including arrear of provident fund demanded by the authorities could not be met as well.

   The lender banks as stated in Note no. 7(a) have currently initiated the process of assigning their debt owed by the parent to them to an Asset Reconstruction Company ('ARC') (over and above the amount already assigned to another ARC) and resolution thereof is dependent upon parent's proposal being accepted by the ARC subsequent to such assignment. The circumstances, prevailing situation and conditions indicate the existence of a material uncertainty about the Parent's ability to continue as a going concern. However, the consolidated financial results of the Group due to the reasons stated in the said Note has been prepared by the management on a going concern basis, based on the management's assessment of the expected successful outcome of the proposal to be submitted on completion of the assignment as stated above and consequential restructuring/ settlement of the amount payable against borrowings and costs related thereto as per Note 7(a) to a sustainable level and tenure so that to ensure liquidity in the system over a period including as stated by the management by way of asset monetization, promoter's contribution etc. for repayment of the debt, and meeting liabilities and other statutory obligations of the parent. The ability to continue as a going concern is dependent upon arriving at a suitable resolution with respect to the parent's borrowing including the amount payable in this respect to the bankers and/or to the ARC in cases of assignment of debt and cost as expected as on this date and/or timely implementation thereof. Further, employees, statutory and other liabilities including for which demand have been raised by the authorities are required to be settled and/or agreed upon for payment. In the event of the management's expectation and estimation in this respect, not turning out to be feasible in future, 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. We did not review the unaudited consolidated financial results and other financial information in respect of four subsidiaries (including three stepdown subsidiaries) located outside India included in the consolidated financial results, whose interim consolidated unaudited financial statements reflects total income of Rs. 12,704 lakhs (including Rs. 3,680 lakhs for the quarter), Net profit after tax of Rs. 345 lakhs (net of Loss of Rs. 924 lakhs for the quarter), total comprehensive income of Rs. 830 lakhs (including (Rs. 557 lakhs for the quarter) for the Nine Months ended December 31, 2024 as considered in the unaudited consolidated financial results. These consolidated interim financial statements have been reviewed by the auditor of BTHL (Wholly Owned 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 and procedures performed by us as stated above.

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The above-mentioned subsidiaries are located outside India whose consolidated interim financial results have been prepared in accordance with the accounting principles generally accepted in their respective countries and have been reviewed by the auditor of BTHL under generally accepted standards and practices applicable in the respective countries. The interim financial results of aforesaid subsidiaries have been converted to Indian rupees (INR) and compiled as per the accounting principles generally accepted in India and adjustments ('the subsidiary statements') have been carried out by the management of the Parent as required for the purpose of incorporating these in the consolidated financial results of the Group and reliance has been placed by us for the purpose of our review. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the subsidiary statements and additional disclosures as prepared and certified by the management of the Parent.

10. Our conclusion on the Statement is not modified in respect of the matters stated in Para (8) and (9) above.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No. 301051E/ E300284

LODHA & CO LLP
KOLKATA
Chartered Accountants

V. Matta

Vikram Matta
Partner
Membership No. 054087
UDIN: 25054087BMNWCV7995

Place: Kolkata
Date: February 13, 2025

McLEOD RUSSEL INDIA LIMITED

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CIN: L51109WB1998PLC087076

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2024

(Rs. in Lakhs except for EPS)

	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	37,056	45,262	34,862	1,01,994	94,094	1,13,589
2	Other Income	121	86	30	384	498	1,065
	Total Income (1 + 2)	**37,177**	**45,348**	**34,892**	**1,02,378**	**94,592**	**1,14,654**
3	**Expenses**						
	a) Cost of Materials Consumed	442	135	1,102	878	3,659	4,198
	b) Purchase of Tea	931	1,081	1,076	3,265	2,968	3,865
	c) Changes in Inventories of Finished Goods	7,469	(6,667)	9,783	(7,827)	(9,795)	2,044
	d) Employee Benefits Expense	20,194	21,351	18,289	59,404	58,524	74,408
	e) Finance Costs	6,193	4,870	4,714	15,857	14,972	20,342
	f) Depreciation and Amortisation Expenses	1,518	1,524	1,619	4,548	5,025	6,579
	g) Other Expenses	10,661	13,574	8,639	31,933	30,923	39,883
	Total Expenses	**47,408**	**35,868**	**45,222**	**1,08,058**	**1,06,276**	**1,51,319**
4	**Profit/(Loss) before share of profit/(loss) of Associate, Exceptional Items and Tax (1+2-3)**	**(10,231)**	**9,480**	**(10,330)**	**(5,680)**	**(11,684)**	**(36,665)**
5	**Share of Profit/(Loss) of Associate**	-	-	-	-	-	-
6	**Profit/(Loss) before Exceptional Items and Tax(4+5)**	**(10,231)**	**9,480**	**(10,330)**	**(5,680)**	**(11,684)**	**(36,665)**
7	**Exceptional Items**	-	-	500	1,921	500	508
8	**Profit/(Loss) before Tax (6+7)**	**(10,231)**	**9,480**	**(9,830)**	**(3,759)**	**(11,184)**	**(36,157)**
9	**Tax Expense**						
	a) Current Tax	(480)	587	(390)	111	1,129	208
	b) Income Tax relating to earlier years (net)	-	-	-	-	3	3
	c) Deferred Tax	(1,018)	439	(1,273)	(1,525)	(2,999)	(5,209)
		(1,498)	**1,026**	**(1,663)**	**(1,414)**	**(1,867)**	**(4,998)**
10	**Profit/(Loss) for the period (8-9)**	**(8,733)**	**8,454**	**(8,167)**	**(2,345)**	**(9,317)**	**(31,159)**
11	**Other Comprehensive Income**						
	A						
	i) Items that will not be reclassified to profit or loss						
	a) Remeasurements of post-employment defined benefit plans	(506)	(507)	(705)	(1,519)	(1,837)	(1,507)
	b)Change in Fair Value of Equity instruments through other comprehensive income	(993)	1,740	(835)	1,344	980	1,026
	ii) Income Tax relating to items that will not be reclassified to profit or loss	162	162	225	486	587	484
	B i)Items that will be reclassified to profit or loss	-					
	a)Exchange differences on translation of foreign operations	404	307	118	521	83	199
	Total Other Comprehensive Income (net of taxes)	**(933)**	**1,702**	**(1,197)**	**832**	**(187)**	**202**
12	**Total Comprehensive Income for the period (comprising of profit and loss and other comprehensive income for the period) (10+11)**	**(9,666)**	**10,156**	**(9,364)**	**(1,513)**	**(9,504)**	**(30,957)**
13	**Profit/(Loss) for the period attributable to :**						
	Owners' of the Parent Company	(8,733)	8,454	(8,167)	(2,345)	(9,317)	(31,159)
	Non-controlling interests	-	-	-	-	-	-
14	**Other Comprehensive Income for the period attributable to :**						
	Owners' of the Parent Company	(933)	1,702	(1,197)	832	(187)	202
	Non-controlling interests	-	-	-	-	-	-
15	**Total Comprehensive Income for the period attributable to :**						
	Owners' of the Parent Company	(9,666)	10,156	(9,364)	(1,513)	(9,504)	(30,957)
	Non-controlling interests	-	-	-	-	-	-
16	**Earnings per Equity Share (EPS) (Rs.) (not annualised)**						
	Basic and Diluted	(8.35)	8.09	(7.82)	(2.25)	(8.92)	(29.83)
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**						(5,319)

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McLEOD RUSSEL INDIA LTD. KOLKATA

(Rs. in Lakhs)

Segment Information:

Particulars	Quarter ended			Nine Months ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue:						
India	33,417	41,109	28,942	89,521	76,637	92,196
Vietnam	-	-	-	-	318	318
Uganda	2,210	2,726	4,444	8,071	12,992	15,697
UK	-	-	(96)	-	120	-
Others	1,429	1,427	1,572	4,402	4,027	5,378
Total	**37,056**	**45,262**	**34,862**	**1,01,994**	**94,094**	**1,13,589**
Segment Result:						
India	(9,191)	9,978	(8,902)	(3,779)	(8,550)	(30,596)
Vietnam	-	-	-	-	(407)	(407)
Uganda	(672)	(566)	(1,638)	(1,839)	(3,136)	(4,170)
UK	(351)	(102)	506	1,430	622	(1,353)
Others	(17)	170	204	429	287	369
Profit/(Loss) before Share of Profit and Tax	**(10,231)**	**9,480**	**(9,830)**	**(3,759)**	**(11,184)**	**(36,157)**
Share of Profit/ (Loss) of Associate	-	-	-	-	-	-
Profit/(Loss) before Taxation	**(10,231)**	**9,480**	**(9,830)**	**(3,759)**	**(11,184)**	**(36,157)**
Less Taxation :						
Curent tax	(480)	587	(390)	111	1,129	208
Income tax relating to earlier years (net)	-	-	-	-	3	3
Deferred tax	(1,018)	439	(1,273)	(1,525)	(2,999)	(5,209)
	(1,498)	1,026	(1,663)	(1,414)	(1,867)	(4,998)
Profit/(Loss) after taxation	**(8,733)**	**8,454**	**(8,167)**	**(2,345)**	**(9,317)**	**(31,159)**
Depreciation and amortisation relating to segments:						
India	1,250	1,250	1,300	3,749	3,905	5,202
Vietnam	-	-	-	-	179	179
Uganda	252	258	304	751	895	1,136
UK	16	16	15	47	45	60
Others	0	0	-	1	1	2
Total	**1,518**	**1,524**	**1,619**	**4,548**	**5,025**	**6,579**
Segment Assets						
India	3,42,545	3,47,936	3,39,388	3,42,545	3,39,388	3,24,716
Vietnam	-	-	-	-	-	-
Uganda	25,008	24,971	26,045	25,008	26,045	24,743
UK	3,287	3,464	5,201	3,287	5,201	3,264
Others	1,917	2,134	1,569	1,917	1,569	1,738
Total	**3,72,757**	**3,78,505**	**3,72,203**	**3,72,757**	**3,72,203**	**3,54,461**
Segment Liabilities						
India	3,27,779	3,24,030	3,05,342	3,27,779	3,05,342	3,09,563
Vietnam	-	-	-	-	-	-
Uganda	20,428	20,109	19,234	20,428	19,234	19,080
UK	717	818	110	717	110	727
Others	339	385	87	339	87	84
Total	**3,49,263**	**3,45,342**	**3,24,773**	**3,49,263**	**3,24,773**	**3,29,454**

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Notes to Unaudited Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2024

1. (a) The above Unaudited Consolidated financial results of McLeod Russel India Limited ('the Parent') and its subsidiaries (together referred to as the 'Group') for the quarter and nine months ended on December 31, 2024 (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 the Audit Committee and approved by the Board of Directors at their meeting held on February 13, 2025 and have been subjected to Limited Review by the Statutory Auditors.

   (b) The consolidated financial results for the quarter and nine months ended December 31, 2024 include the figures of the Parent together with its subsidiary, Borelli Tea Holding Limited (UK) (BTHL) (Wholly owned subsidiary) and step-down subsidiaries i.e. McLeod Russel Uganda Limited (Uganda), McLeod Russel Africa Limited (Kenya) and McLeod Russel Middle East DMCC (Dubai).

   (c) 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.

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

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

   (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, 2024 should not be construed as indicative of possible results for year ending March 31, 2025.

3. (a) Borelli Tea Holdings Limited ('BTHL'), a wholly owned subsidiary of the parent entered into a capital contribution agreement with TLK Agriculture Joint Stock Company ('TLK'), taking Phu Ben Tea Company Limited ('PBTCL') (a Step Down subsidiary of the parent) as a party to the said agreement whereby BTHL had sold 100% of Capital Contribution in PBTCL at a consideration of USD 2,15,00,00 to TLK. Consideration against these shares being pledged to one of the lenders who has assigned it's loan to an Asset Reconstruction Company ('ARC'), Rs. 1,921 lakhs as received in this respect has been adjusted by them against their outstanding dues on May 03, 2024. Such amount as stated in Note 8(a) has been adjusted against principal outstanding and an equivalent amount has been recognised as ICD from BTHL in the standalone financial results of the parent and thereby the provision created by BTHL against amount receivable from TLK has been written back in the consolidated financial results and as stated in Note no. 11(a) below have been shown as Exceptional Items during the nine months ended December 31, 2024.

   (b) The financial statements of PBTCL for the period from July 01, 2023 till October 31, 2023 had not been provided and thereby based on balances of assets and liabilities as on June 30, 2023, Gain of Rs. 508 lakhs (December 31, 2023: Rs. 500 lakhs) attributable to loss of controlling interest in PBTCL on cessation of subsidiary of BTHL had been computed based on the latest financial statements as on June 30, 2023 and as stated in Note no. 11(b) were shown as Exceptional Items for the year ended March 31, 2024.

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4. Remuneration to the extent of Rs. 492 Lakhs (including Rs. 225 Lakhs for the period) has been paid to the Managing Director by the Parent for the period from May 17, 2023 to December 31, 2024 as decided by the Shareholder of the Parent vide their special resolution dated July 14, 2023. The parent prior to the said resolution as required in terms of Schedule V of the Companies Act, 2013 has made Application to the banks and financial institution for their approval and the same is awaited as on this date. Accordingly, the said amount being paid and held in trust have been recognised as advances, pending the aforesaid approval.

5. In respect of Inter-Corporate Deposits ('ICDs') given to Promoter group and certain other entities ('borrowing companies') by the Parent, the amount outstanding aggregates to Rs. 2,76,109 Lakhs as at December 31, 2024. Further, interest of Rs. 9,941 lakhs on these amounts accrued upto March 31, 2019 are also outstanding as on this date. Interest on such ICDs considering the waiver sought by borrower companies and uncertainties involved with respect to recovery and determination of amount thereof, have not been accrued since April 01, 2019. These borrowing companies in turn advanced the amount so taken by them to Promoter Group and other entities mainly to provide financial support to one of the promoter group company against which Corporate Insolvency and Resolution Process ('CIRP') as per the Insolvency and Bankruptcy Code, 2016 ('IBC') was subsequently initiated and the Resolution Plan as approved by the Hon'ble National Company Law Tribunal ('NCLT'), Kolkata is currently under implementation. Provision of Rs. 1,01,039 lakhs (including interest of Rs. 9,941 lakhs accrued upto March 31, 2019) made in earlier years on lumpsum basis without prejudice to the parent's legal right to recover the amounts given by it has been carried forward during the period and adjustments considering the amount finally recoverable against outstanding amounts of ICDs is pending determination as on this date. Pending this and the resolution with respect to the parent's borrowing as dealt with in Note 7(a) below, impact in this respect have not been ascertained and given effect to in these consolidated financial results for the period ended December 31, 2024.

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 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. 1,85,011 Lakhs (net of provision) given to various parties as stated in Note 5 above are outstanding as on December 31, 2024. The issues raised including utilisation of amount of these loans etc. are also being examined by the 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) The Parent's financial position is continued to be under stress and it is passing through prolonged financial distress over a considerable period of time. The realisation against tea even though has improved to certain extent, there was loss of crop owing to weather conditions having impact on the volume of operations and the parent's performance on an overall basis. The Inter-Corporate Deposits ('ICDs') given to various Promoter group and certain other entities by the parent in earlier years along with interest to the extent accrued earlier are lying outstanding as on this date. The operational performance as stated above added to the financial constraints being faced by the parent resulting in hardship in servicing of the short term and long-term debts and meeting it's statutory and other liabilities. Certain repayments were however, made to lenders against borrowings apart from by invocation of securities etc. by them, and through cut-back against sale proceeds of tea in earlier periods, but the fund generated through the operation have turned out to be highly insufficient for making payment towards parent's obligations including those relating to Employees, statutory and other liabilities causing accumulation of amounts lying unpaid against these liabilities to a significant extent at the end of the period.

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The Resolution process of the parent in terms of the circular dated June 07, 2019 issued by Reserve Bank of India ('RBI') was initiated long back in earlier years. Inter-Creditor Agreement ('ICA') for arriving at and implementing the resolution plan was signed by all the lenders ('bankers'). Moreover, the forensic audit for the utilisation of funds borrowed in the past conducted on behest of the lenders, Techno Economic Viability (TEV) study, Valuation of tea estates and other assets and credit rating for draft Resolution Plan prepared by SBI Capital Markets Limited, one of the leading investment banker was completed. Even offer for One Time payment of Rs. 1,03,000 lakhs ('OTS') in settlement of the entire amount outstanding against their loans including interest thereon was made at the behest of the lenders by the parent. Subsequently in absence of the consensus among the lenders with respect to OTS, the parent on the request of the lenders had submitted a fresh resolution plan in the month of January 2024. Meanwhile, certain lenders and other creditors have filed petitions before Debt Recovery Tribunal ('DRT') and under Insolvency and Bankruptcy Code, 2016 ('IBC') with Hon'ble National Company Law Tribunal, Kolkata ('NCLT') which are pending as on this date.

Currently, the valuations of the parent carried out by three Independent Valuers appointed by the lender banks have been completed and the reports submitted by them as stated by the management are under consideration of the lenders. The lenders in terms of the master direction on transfer of loan exposure dated September 24, 2001 and other directions issued by the RBI from time to time, vide public notification dated December 06, 2024 have invited expression of interest ('EOI') for sale/assignment of the debts aggregating to Rs.1,10,469 lakhs representing the principal amount thereof following Swiss Challenge Bid Process ('the Bid' or 'the Bid process') based on the existing offer ('Anchor Bid') by one of the Asset Reconstruction Company ('ARC'). The bidding process assisted by PNB Investment Services Limited ('PNBISL' or 'process advisor') as mandated by the lenders for the purpose has since been completed and deadline for submission of the bid has expired. Following this, the approvals for assignment of the aforesaid debt by the respective lenders pursuant to the Anchor bid in place are awaited as on this date.

The management is confident that on completion of the assignment, a suitable resolution with respect to the parent's entire borrowings from banks/financial institution/ARC, principal amount aggregating to Rs. 1,46,107 lakhs (Including Rs. 35,638 lakhs already assigned to an ARC) will be arrived at and a sustainable amount along with related costs thereto and the period of repayment etc in this respect will be agreed upon in the due course of time.

Considering, the resolution with respect to the debt post assignment as above and expected outcome thereof along with management's continuous effort for rationalising operational costs as well and additional fund to be made available in the system on arriving at the expected resolution or otherwise and other ameliorative measures taken and/or proposed to be taken it is envisaged that the parent will be able to strengthen its financial position over a period of time.

In view of the measures dealt herein above being under active consideration as on this date, these consolidated financial results have been prepared on going concern basis.

(b) Further to above, McLeod Russel Uganda Limited ('MRUL') one of the stepdown subsidiary, have also been incurring cash losses due to sluggish market condition of tea and lower realisation thereagainst causing non-payment of it's debt including interest there upon to the bankers, statutory and other liabilities. The proposal for restructuring the debt as submitted is under consideration of the bankers as on this date and pending this, the financial results of MRUL have been continued to be prepared on going concern basis.

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(c) As stated above, the Parent has incurred significant amount of losses and it's current liabilities are in excess of the current assets. Considering these indicators and circumstances stated herein above in Note 7(a), fair Value of Property, Plant and Equipment, Capital Work in progress and other Intangible Assets ('CGU') and Goodwill arising on Consolidation for reasons stated in Note no. 7(b) are required to be assessed for testing of Impairment thereagainst. The valuation exercise in this respect considering the valuation arrived at pursuant to Note 7(a) above, in respect of the Parent will be undertaken at year-end whereas in case of MRUL as stated in Note 7(b), restructuring proposal are under consideration of the bankers. Pending this, impairment if any in the value of CGU and goodwill arising on consolidation as such, have not been determined and recognised in these consolidated financial results.

8. (a) Pending assignment of the borrowings by the lenders as dealt with in Note 7(a) above and subsequent resolution thereto and consequential adjustment in this respect, Interest on borrowings from banks including those assigned to the Asset Reconstruction Company by the Parent have been continued to be provided on simple interest basis based on the rates specified in term sheet or otherwise stipulated/advised from time to time and penal/compound interest if any has not been considered. Further, amount repaid to lenders and/or recovered by them including by invoking securities and cut back payments from the sale proceeds of the tea etc., have been adjusted against principal amount outstanding. The amount payable to the lenders in respect of outstanding amounts of borrowing including interest thereagainst is subject to confirmation and determination and consequential reconciliation and resolution to be arrived at as dealt with in Note 7(a) and will accordingly be dealt with on determination thereof.

(b) Further, Interest of Rs. 16,474 Lakhs (including Rs. 2,265 Lakhs for the period) on Inter Corporate Deposits/ Short-Term Borrowings of Rs. 27,600 lakhs outstanding as on December 31, 2024 taken by the parent has not been recognised. Interest in this respect in line with Note 8(a) above have been determined on simple basis at stipulated rates or otherwise advised/ considered for similar arrangements from time to time. This includes payments made by certain body corporates on behalf of the parent towards settlement of debts and advances taken in earlier years, pending finalisation of terms and conditions with respect to these amounts. This however does not include interest if any on outstanding advances aggregating to Rs. 3,700 lakhs from customers, pending recognition as Inter Corporate Deposits and finalisation of terms and conditions thereof. Further, Interest including compound/ penal interest if any payable with respect to these are currently not determinable and as such the amount in this respect have not been disclosed and included herein above.

(c) In terms of the settlement arrived at for repayment of dues of Rs. 10,000 lakhs of a corporate lender in earlier years by another party on behalf of the parent, Rs. 3,500 lakhs (including Rs. 1,500 lakhs so paid on behalf of the parent during the quarter and nine months ended December 31, 2024) so far paid over and above the principal amount in terms of said settlement has been charged out as finance cost. Pending finalisation of the terms and conditions with respect to Parent's obligation in this respect, further adjustments required if any in this respect are presently not ascertainable.

(d) The parent had given undertaking to IL&FS Infrastructure Debt Fund ('ILFS-IDF') and Aditya Birla Finance Limited ('ABFL') in connection with borrowings and other facilities availed by the group entities. Pursuant to the agreements entered with ILFS-IDF and ABFL, the claim made by them have been settled during the year ended March 31, 2024 for Rs. 4,967 lakhs and Rs. 3,200 lakhs respectively by Dufflaghur Investment Limited ('Dufflaghur'). The parent's obligations in this respect and related terms and condition thereof and consequential impact if any in this respect have presently not been determined and therefore has not been given effect to in these consolidated financial results.

(e) Lease Agreement in respect of premises having registered and corporate office of the parent has expired on August 31, 2022 and terms thereof are yet to be finalised by the lessor. Pending this the amount of rent payable by the parent being non-determinable as such has not been recognised in these consolidated financial results.

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(f) The parent has statutory liabilities lying unpaid as on December 31, 2024 and in certain cases demands have been received from the authorities. Necessary representations have been made to the authorities explaining the financial stringencies (as stated in Note 7(a)) currently being faced by it and the amount of interest etc. thereagainst has not been recognised in these consolidated financial results. The amounts as demanded are also subject to reconciliation with the books of accounts of the respective tea estates of the parent and adjustments/ impact in this respect are therefore currently not ascertainable.

(g) Adjustments, if any required with respect to (a) to (f) above will be recognised on determination thereof and will then be given effect to in the consolidated financial results of subsequent periods.

9. In case of the Parent, certain debit and credit balances including borrowings and interest thereupon dealt with in Note 8, statutory liabilities including as dealt in Note 8(f), clearing accounts (other than inter-unit balances), trade and other payables, advances from customers, loans and advances, trade and other receivables, other current assets and certain other liabilities are subject to reconciliation with individual details and balances and confirmation thereof. Adjustments/ Impact in this respect are currently not ascertainable.

10. The observations concerning Auditors' Conclusion/ Opinion on the consolidated financial results/ statements for earlier period have been dealt with in Note no. 5 to 9 above. The unresolved matters primarily relate to and are expected to be resolved on the outcome of the resolution as per Note 7(a) above and will then suitably be addressed in the subsequent periods.

11. Exceptional Items include:
    a) Provision of Rs. 1,921 lakhs created against amount receivable for TLK as stated in Note no. 3(a) written back in the consolidated financial results during the Nine months ended December 31, 2024.
    b) Gain of Rs. 508 lakhs (December 31, 2023: Rs. 500 lakhs) on loss of control of PBTCL as per Note no. 3(b) above during the year ended March 31, 2024.

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: February 13, 2025

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