



McLEOD RUSSEL
Believe in tea

30 October 2020

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,

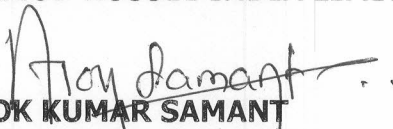
Based on the clarification sought from your Exchange, please find enclosed the Revised Consolidated Financial Results for the quarter ended 30 June 2019, which has been approved by the Company at its Board Meeting held on 14 September 2020 and which was also shared with your Exchange alongwith the Financial Results for the quarter ended June 2020 as Outcome of Board Meeting.

We trust this clarifies the matter fully.

Thanking You.

Yours faithfully

McLEOD RUSSEL INDIA LIMITED


ALOK KUMAR SAMANT
COMPANY SECRETARY

Encl: as above

Registered Office :

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN) : L51109WB1998PLC087076
FOUR MANGOE LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001
TELEPHONE : 033-2210-1221, 2248-9434 / 35, FAX : 91-33-2248-8114 / 6265
E-mail : administrator@mcleodrusel.com Website : www.mcleodrusel.com



A Williamson Magor Group Enterprise

MCLEOD RUSSEL INDIA LIMITED
Registered Office: 4, 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 REVISED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

Rs. Lakhs except for EPS

Particulars	Consolidated			
	Quarter ended			Year ended
	30th June 2019	31st March 2019	30th June 2018	31st March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from Operations	23,290	24,818	26,025	1,71,966
2 Other Income	1,293	9,547	4,085	24,057
Total Income (1 + 2)	24,583	34,165	30,110	1,96,023
3 Expenses				
a) Cost of Materials Consumed	1,733	3,488	6,580	26,766
b) Purchase of Tea	1,160	480	437	4,970
c) Changes in Inventories of Finished Goods	(3,755)	14,920	(21,357)	(1,730)
d) Employee Benefits Expense	16,836	17,384	24,505	81,995
e) Finance Costs	8,956	18,908	4,378	33,757
f) Depreciation and Amortisation Expenses	1,631	1,599	2,088	8,412
g) Other Expenses	8,178	18,792	13,622	64,725
Total Expenses	34,739	75,571	30,253	2,18,895
4 Profit/(Loss) before Exceptional items and Tax (1+2-3)	(10,156)	(41,406)	(143)	(22,872)
5 Exceptional items	9,070	14,271	-	28,941
6 Profit/(Loss) before tax	(1,086)	(27,135)	(143)	6,069
7 Tax Expense				
a) Current Tax	437	(6,357)	163	2,137
b) Provisions for tax relating to earlier years written back (net)	-	(3,973)	-	(3,974)
c) Deferred Tax	(319)	8,391	20	4,024
8 Profit/(Loss) for the period (6-5)	(1,204)	(25,196)	(326)	3,882
9 Share of Profit of Associate	40	-	-	-
Net Profit/(Loss) after taxes and share of profit of associate (8+9)	(1,164)	(25,196)	(326)	3,882
10 Other Comprehensive Income				
A(i) Items that will not be reclassified to profit or loss :				
a) Remeasurements of post-employment defined benefit plans	(763)	1,926	(810)	(747)
b) Change in Fair Value of Equity instruments through other comprehensive income	(2,213)	(315)	(3,360)	(5,372)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	244	(662)	258	237
B Items that will be reclassified to profit or loss :				
a) Exchange differences on translation of foreign operations	-	(4,346)	-	(5,264)
Total Other Comprehensive Income/(Loss)	(2,732)	(3,397)	(3,912)	(11,146)
12 Total Comprehensive Income/(Loss) for the period (comprising of profit and loss and other comprehensive income for the period) (10+11)	(3,896)	(28,593)	(4,238)	(7,264)
13 Profit/(Loss) for the period attributable to :				
Owners' of the Parent Company	(1,164)	(25,181)	(388)	3,185
Non-controlling interests	-	(15)	62	697
14 Other Comprehensive Income/(Loss) for the period attributable to :				
Owners' of the Parent Company	(2,732)	(3,341)	(3,912)	(11,146)
Non-controlling interests	-	(56)	-	-
15 Total Comprehensive Income for the period attributable to :				
Owners' of the Parent Company	(3,896)	(28,522)	(4,301)	(7,961)
Non-controlling interests	-	(71)	62	697
16 Earnings per Share (Rs.) (not annualised)				
Basic and Diluted	(1.33)	(28.82)	(0.42)	3.56
17 Paid-up Equity Share Capital : Face Value : Rs. 5/- per share	4,369	4,369	4,619	4,369
18 Other Equity excluding Revaluation Reserve				1,64,615

Particulars	Consolidated			
	Quarter			Year ended 31st March 2019 (Unaudited)
	30th June 2019 (Unaudited)	31st March 2019 (Unaudited)	30th June 2018 (Unaudited)	
Segment Information:				
Segment Revenue:				
India	15,116	17,448	22,283	1,30,673
Vietnam	1,759	2,281	681	7,623
Uganda	4,844	5,474	1,621	18,134
Rawanda	-	1,525	-	9,381
UK	172	172	67	172
Others	1,399	(2,282)	1,373	5,983
Total	23,290	24,618	26,025	1,71,966
Segment Result:				
India	(1,952)	(37,723)	(487)	(8,059)
Vietnam	40	59	(77)	(1,374)
Uganda	174	(351)	(235)	2,291
Rawanda	-	809	-	3,664
UK	657	8,665	(16)	8,665
Others	(5)	1,406	672	882
Profit before taxation	(1,086)	(27,135)	(143)	6,069
Share of Profit of associate	40	-	-	-
Less Taxation :				
Current tax	437	(6,357)	163	2,137
Provision relating to earlier years, written back	-	(3,973)	-	(3,973)
Deferred tax	(319)	8,391	20	4,023
	118	(1,939)	183	2,187
Profit after taxation	(1,164)	(25,196)	(326)	3,882
Depreciation and amortisation relating to segments:				
India	1,418	1,539	1,955	6,922
Vietnam	28	92	47	528
Uganda	171	332	81	904
Rawanda	-	(371)	-	-
UK	13	54	5	53
Others	1	(47)	-	5
Total	1,631	1,599	2,088	8,412



Notes to Consolidated Unaudited Financial Results for the quarter ended 30th June 2019

1. (a) The above consolidated financial results of McLeod Russel India Limited ('the Parent Company') and its subsidiaries (together referred to as the 'Group') and its associates are the revised financial results for the quarter ended 30th June 2019 after incorporating therein the figures pertaining to the quarter ended 31st March 2019 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 read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 (as amended). These figures have been incorporated as required in terms of direction received by the company vide email dated 30th December 2019 from The National Stock Exchange of India Ltd.

(b) The consolidated Accounts for the quarter ended 30th June 2019 include the figures of the Company together with its subsidiary, Borelli Tea Holding Limited (UK) (Step one subsidiary) and step-down subsidiaries i.e. Phuben Tea Company Limited (Vietnam), McLeod Russel Uganda Limited (Uganda), McLeod Russel Africa Ltd (Kenya) and McLeod Russel Middle East DMCC (Dubai) and Pfunda Tea Company Limited, an Associate till 3rd May 2019.

(c) In the consolidated financial results, the face value of the Parent Company's shares held by a Trust for benefit of the Company's wholly owned subsidiary has been deducted from the Equity Share Capital of the Parent Company and earning per share has accordingly been computed and disclosed in these consolidated financial results.

(d) Effective 1st April, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to its leases under modified retrospective approach with cumulative effect of initial recognition being given effect to on the date of application. This however does not have any significant impact on the results and Earning Per Share for the period.

2. (a) The entire equity shareholding in Gisovu Tea Company Limited and half of the such holding in Pfunda Tea Company Limited (herein after referred to as erstwhile subsidiaries) was divested in March 2019. The balance shares held in Pfunda Tea Company Limited as stated in Note no. 2(b) has been divested in April 2019. Thereby, Comparative figures of Gisovu Tea Company Ltd and Pfunda Tea Company Ltd for the corresponding quarter ended 30th June 2018 are not available due to change in ownership and management of these Companies.

(b) The Company's subsidiary Borelli Tea Holding Limited which was holding 45% shares of Pfunda Tea Company Limited has disposed-off its balance shareholding of 45 shares (after sale of 45 number of shares in the previous year) for a consideration of USD 78,73,963. The profit of Rs. 6.25 Lakhs arising on such sale has been shown as an exceptional item.

(c) Due to non-availability of figures pertaining to erstwhile subsidiaries consequent to change of their management as stated in note 2(a) above, the consolidated figures of the group for the quarter ended 31st March 2019 could not be compiled and as such these were not incorporated and disclosed while publishing the results for the quarter ended 30th June 2019. These figures have now been compiled based on the figure for the year ended 31st March 2019.



as audited by the predecessor auditor and figures for the nine months period ended 31st December 2018 as approved by the Board of Directors at its meeting held on 13th February 2020. The figures for quarter ended 31st March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31st March and the unaudited published year-to-date figures up to the third quarter ended 31st December 2018.

3. (a) As the Group is engaged in business of cultivation, manufacturing and selling of tea, which is seasonal in character, figures for the quarter ended 30th June, 2019 should not be construed as indicative of likely result for year ended 31st March, 2020.

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

(c) 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, Rwanda, UK and others have been considered to be reportable segment.

4. On 9th August, 2018, the shareholders of the Parent Company approved to sell specified assets of certain tea estates. In continuation of the steps initiated in this respect in earlier years, during the quarter:

- The Parent Company has sold specified assets of 3 Tea Estates for an aggregate consideration of Rs 15,045 Lakhs. Profit on sale of such assets amounting to Rs. 4,004 Lakhs has been shown as Exceptional items.
- The specified assets of one more tea estate have been identified and approved for sale. Memorandum of Understanding/ Term sheet with the proposed buyer for an aggregate consideration of Rs. 2,815 Lakhs, subject to due diligence and necessary approvals, etc. have also been entered by the company. Pending final binding agreement and completion of the transaction, such sales has not been recognised in this quarter.

5. a) During the year ended 31st March, 2019, the Parent company's subsidiary Borelli Tea Holdings Limited (UK) (BTHL) had agreed to buy back 60,000 shares (out of total 3,62,000 shares held by the company) for an aggregate consideration of GBP 93,00,000, and Rs. 8,391 lakhs received in this respect had been shown as advance from subsidiaries. During the period the said buy-back after obtaining necessary clearances and completion of related formalities, has been given effect to and profit on such shares amounting to Rs. 4,441 lakhs has been shown as exceptional items.

b) Subsequent to the reporting date, BTHL vide it's Board Meeting dated 1st July 2019 have further agreed to buy back 50,000 shares for a consideration of GBP 77,50,000 which will be given effect to in subsequent period on completion of the transaction.



6. Exceptional Items represent:

Particulars	Quarter 30 th June 2019	Quarter 31 st March 2019	Quarter 30 th June 2018	Year ended 31 st March 2019
Profit on Sale of Specified Assets of the Tea Estates	4,004	3,372	-	18,041
Profit on buyback of shares by subsidiaries (Refer Note no. 5(a))	4,441	-	-	-
Profit on Sale of Subsidiary/ Associates (Refer Note no. 2(b))	625	10,899	-	10,900
Total	9,070	14,271	-	28,941

7. In respect of Inter-Corporate Deposits (ICDs) given to Promoter group and certain other companies, the amount outstanding aggregates to Rs. 2,84,595 Lakhs as at 30th June, 2019. Interest accrued upto 31st March 2019 and remaining unpaid as on 30th June 2019 aggregates to Rs. 7,703 Lakhs (net of provision of Rs. 7,617 lakhs). Interest on such ICDs has not been accrued during the period. Steps are being taken to restructure the financial obligations of the Parent Company as well as of various group companies and ensure repayment/reduction of outstanding amounts. The management believes that the outstanding dues, net of provision for doubtful interest receivable, as mentioned above, shall be recovered/ adjusted in due course of time and no further provision is required at this stage.
8. The Parent Company's financial performance has continued to be sluggish due to cyclical effect in the industry and prevailing market conditions. Moreover, the Inter-Corporate Deposits given to various group companies to fund them for meeting their various financial obligations are outstanding as on this date and interest against these have largely not been received. All these have resulted in working capital mismatch and liquidity constraints causing hardship in servicing the short term and long-term borrowings and other financial obligations of the Parent company. The Parent company has taken various measures to resolve these issues which inter-alia include reduction in operational costs, monetising the Parent Company's/group's assets including holding of other group companies and also restructuring the borrowings, so that to reduce the overall debt burden and related cost thereto and infuse liquidity in the system.



The management is confident that with the lenders support and cost reduction and other ameliorative measures taken, the Parent company will be able to generate sufficient cashflows and strengthen its financial performance by discharging its short term and long-term liabilities. Considering that these measures are under implementation and/or under active consideration as on this date, the financial statements have been prepared on going concern basis.

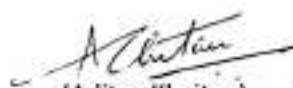
9. The predecessor auditors' have issued an adverse opinion on the consolidated financial statements for the year ended 31st March 2019. These matters include the issues relating to Inter-Corporate Deposits to group companies including certain cases considered by them to be in nature of book entries, being in excess of the limit prescribed under Section 186 of the Companies Act, 2013 ('the Act') and pending compliance thereof including under Section 185 of the Act, if applicable in respect of amounts given to the related parties. These matters are procedural in nature and/or are subject to review by the authorities and do not have any impact as such on the profit or loss for the period. Steps are being taken to regularise these matters and ensure the compliances and the explanations sought for and information required by Registrar of Companies on the matters are being provided.

Other Auditors' observations regarding non-recoverability of inter-corporate deposits and accounts being prepared on going concern basis which have bearing on the Consolidated financial results for the quarter have been dealt with in Note no. 7 and 8 above.

10. Interest on borrowings have been provided for considering the rates and terms and conditions as per agreed term sheet or otherwise stipulated/advised in this respect and are subject to confirmation of balances by the lenders and reconciliation thereof. Adjustments, if any required in this respect will be given effect to on ascertainment of the amount thereof.
11. (a) This being the initial quarter for publication of consolidated quarterly results, limited review for the step-down subsidiaries by their respective auditors could not be undertaken. The figures pertaining to these subsidiaries as compiled by the management of respective companies were consolidated at step one subsidiary level and reviewed by its Auditors. The compilation with respect to assets and liabilities were however could not be undertaken and as such related segmental information could not be provided.

(c) In view of Sale of Specified Assets pertaining to Tea Estates in the previous year as well as in current quarter (as stated in Note no. 4) and disposal of certain subsidiaries/associates (as stated in Note no. 2) and due to the reasons given in Note 2(a) above, figures of the previous periods are not comparable with the figures of current quarter.

For McLeod Russel India Limited


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

Place: Kolkata

Dated: 14th September 2020