



McLEOD RUSSEL
Believe in tea

21st January 2015

The Secretary
Bombay Stock Exchange Ltd
P.J. Towers, 25th Floor
Dalal Street,
MUMBAI - 400 001
Scrip Code: 532654

The Secretary
National Stock Exchange
of India, Listing Dept.
Exchange Plaza, 5th Fl.
Plot No.C/1, G-Block
Bandra-Kurla Complex
Bandra (E)
MUMBAI - 400 051
Scrip Code: MCLEODRUSS

The Secretary
The Calcutta Stock
Exchange Association Ltd
7, Lyons Range
KOLKATA 700001
Scrip Code: 10023930

Dear Sir,

Sub : McLeod Russel – Information Update

We send herewith an Information Update on the Company for the Quarter ended 31st December 2014 together with Management's understanding on future outlook for your information and record.

The Unaudited Financial Results of the Company for the Quarter ended 31st December 2014 have already been sent to the Stock Exchanges through e-mail.

Please acknowledge receipt.

Yours faithfully,
McLEOD RUSSEL INDIA LIMITED

(A. GUHA SARKAR)
VICE PRESIDENT & COMPANY SECRETARY

Encl : as above.

Registered Office :

McLEOD RUSSEL INDIA LIMITED

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



A Williamson Magor Group Enterprise



McLEOD RUSSEL INDIA LIMITED
4, Mangoe Lane,
Kolkata 700001

Information Update

Coverage of this update :-

- Financial results for the quarter and nine months ended 31st December, 2014
- Company management's understanding on future outlook
- Phu Ben Tea Company Limited, Vietnam
- McLeod Russel Uganda Limited, Uganda
- Gisovu Tea Company Limited, Rwanda

Highlights for the **nine months** ended 31st December, 2014 :-

		2014-15	2013-14	
1.	Selling Price	Rs.179.51 per kg	Rs.172.87 per kg.	(+) Rs.6.64
2.	Operating Profit *	Rs.328.44 Crores	Rs.437.00 Crores	(-) 25%
3.	Net Profit (Standalone)	Rs.269.93 Crores	Rs.400.36 Crores	(-) 33%
4.	Sales Quantity	588 lakh Kg	649 lakh kg	(-)61 lakh kg
5.	Crop	791 lakh kg	863 lakh kg	(-)72 lakh kg

* Operating Profit before Depreciation

Highlights for the **quarter** ended 31st December, 2014 :-

		2014-15	2013-14	
1.	Selling Price	Rs.173.44 per kg	Rs.170.93 per kg.	(+) Rs.2.51
2.	Operating Profit *	Rs.106.92 Crores	Rs.143.99 Crores	(-) 26%
3.	Net Profit (Standalone)	Rs. 80.43 Crores	Rs.128.66 Crores	(-) 37%
4.	Sales Quantity	271 Lakh Kg	268 lakh kg	(+) 3 lakh kg
5.	Crop	216 lakh kg	231 lakh kg	(-)15 lakh kg

* Operating Profit before Depreciation

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VICE PRESIDENT & COMPANY SECRETARY

Review of Operations :-

► Production :

Indian production continue to be lower up to November due to unfavorable weather conditions particularly in the State of Assam in North India. North Indian Production up to November is estimated to be lower by 30 million. Tea production in African Region is higher by 15 million kg as compared to record crop last year.

Company's production in India is lower by 6.8 million kg from own leaf and by another 0.3 million kg from small grower's leaf up to December.

► Sales & Prices:

Higher production in the African region and additional carry forward teas from the previous season had negative impact on prices in Mombasa Auction. Geopolitical issues in Middle East, Russia and Pakistan also impacted overall demand in those countries. Tea prices in Mombasa auction was lower by 30% as compared to last year. However, prices in India for North Indian teas were higher by Rs 8 per kg due to lower crop.

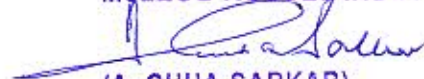
Tea prices for Company are higher by Rs.7 per kg at Rs.180 per kg. Compared to same period last year. Company exported 11 million kg at Rs.222 per kg as against 18 million kg at Rs.200 per kg last year.

► Operating Result :

Operating Profit Before Depreciation for the quarter is lower by 26% at Rs.107 crores as against 144 crores last year. Loss is mainly attributed to the crop loss on unfavorable weather conditions. Sales volume for the quarter is marginally higher for the quarter.

Depreciation during the quarter is higher by Rs 8 crores mainly due to changes as per Schedule II of Company's Act, 2013.

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OUTLOOK :

● Global Production :

Tea production in African region for the year 2014 is higher by 15 million kg as compared to last year's record crop. Crop for the next year will depend on the weather conditions. However, at best it can be maintained at these levels.

● Indian Production :

Indian Production is estimated to be lower by 20 million kg as compared to last year. The production for 2015 is likely to improve subject to better weather conditions.

● Tea Prices & Costs :

Tea prices at the auction centers in Africa have been lower by 30% due to record production during 2014 and subdued demand from Middle East, Pakistan and Russia. The trend have been better during first few weekly sales in 2015 on emergence of demand from Middle East and Pakistan. Tea prices are expected to pick up further from 2nd quarter onwards subject to improvement in Geo political environment in Middle East and Russia.

Teas Prices in India are likely to open strong for the new season teas due to lower carry forward stocks. However, the prices for the rest of the year will depend on weather conditions and monsoon.

Cost per kg during the year is expected to be higher on revision of wages effective 1st January 2015. Negotiation for the new wage agreement for a period of three years will start soon. We expect the increase to be around 13-15% for the first year.

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● **Phu Ben Tea Company Limited, Vietnam :**

During the year ended 31st December, 2014 Phu Ben (Estimates) achieved a total production of 7.11 million kg of tea as against 6.9 million kg for the same period last year. The Company recorded EBIDTA USD (-) 0.3 million on a sales turnover USD 9 million with average of USD 1.61 (USD 1.96 last year) per kg as against EBIDTA of USD 2 million last year.

● **McLeod Russel Uganda Limited, Uganda :**

During the year ended 31st December, 2014 McLeod Russel Uganda achieved (Estimates) a total production of 18.2 million kg of tea as against 16.2 million kg for the same period last year. The Company recorded EBIDTA of USD 2 million on a sales turnover USD 26 million with average of USD 1.54 (USD 1.91 last year) per kg as against EBIDTA of USD 7.7 million last year.

● **Gisovu Tea Company Limited, Rwanda :**

During the year ended 31st December, 2014 Gisovu Tea Company (estimates) achieved a total production of 2.0 million kg of tea as against 2.1 million kg last year. The Company recorded EBIDTA USD 1.5 million on a sales turnover USD 5.7 million with average of USD 2.86 (USD 3.51 last year) per kg as against EBIDTA of USD 2.5 million last year.

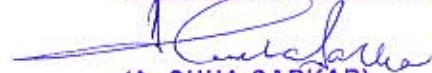
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Notes on this updates:

1. MRIL's Investor Relations activities are co-ordinated by Mr. Amitava Guha Sarkar, Company Secretary (a.guhasarkar@mcleodrussel.com).
2. MRIL may be contacted for any further clarification or information on telephone No. +91-33-2210-1221, 2243-5391, 2248-9434, 2248-9435; Fax No. +91-33-2248-8114, 2248-6265 and Email address: administrator@mcleodrussel.com
3. This update being issued after the Board of the Company at its meeting held on 21th January, 2015 has taken on record the quarterly results for quarter ended 31st December, 2014.
4. Some forward-looking statements on projections, estimates or expectations are included in this update for better comprehension of the Company's prospects. Actual results may, however differ materially on account of several economic and market related factors not fully within the control of the Company.
5. This update is also available on the Company's website: www.mcleodrusselindia.com. In view of this, information in this update is also available to the public and does not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading Regulations), 1992.

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