



McLEOD RUSSEL
Believe in tea

21st October 2014

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

The Secretary,
National Stock Exchange
of India Ltd.,
Exchange Plaza,
5th Floor,
Plot No.C/1,G Block,
Bandra-KurlaComplex,
Bandra (E),
MUMBAI-400 051.
Scrip Code: MCLEODRUSS

The Secretary,
The Calcutta Stock Exchange,
Association Ltd.,
6, Lyons Range,
KOLKATA-700 001.
Scrip Code: 10023930

Dear Sir,

**UNAUDITED FINANCIAL RESULTS FOR
THE QUARTER/HALF YEAR ENDED 30th SEPTEMBER 2013**

We would advise you that at a Meeting held today the Board of Directors has approved and taken on record the Unaudited Financial Results of the Company for the Quarter/Half Year ended 30th September 2014 in terms of Clause 41 of the Listing Agreement. We now send herewith the Unaudited Financial Results for the Quarter/Half Year ended 30th September 2014 signed by Mr. K. K. Baheti, Wholetime Director & CFO of the Company together with a copy of the Limited Review Report furnished by Messrs. Price Waterhouse, the Statutory Auditors of the Company.

Please acknowledge receipt.

Yours faithfully,
McLEOD RUSSEL INDIA LIMITED

(A. GUHA SARKAR)
**VICE PRESIDENT &
COMPANY SECRETARY**

Encls :
/nr.

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

The Board of Directors
McLeod Russel India Limited
Four Mangoe Lane, Surendra Mohan Ghosh Sarani,
Kolkata – 700001

1. We have reviewed the results of McLeod Russel India Limited (the "Company") for the quarter ended 30th September 2014 which are included in the accompanying 'Unaudited Financial Results for the Three Months and Six Months ended 30th September, 2014' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. We draw your attention to:
 - (a) Note 5 on the Statement, regarding valuation of stock of tea at lower of estimated cost of production (based on estimated production and estimated expenditure for the financial year) and the net realisable value, which is not in accordance with AS-2 - Valuation of Inventories as notified in Companies (Accounting Standards) Rules, 2006. The impact of such valuation on the profits and earnings per share for the Three Months and Six Months ended 30th September, 2014 and on the value of inventories as on that date are presently indeterminate.
 - (b) Note 6 on the Statement, regarding non-provisioning of tax liability (current and deferred) during the Three Months and Six Months ended 30th September, 2014, which is not in accordance with Accounting Standard 22 - Accounting for Taxes on Income as notified in Companies (Accounting Standards) Rules, 2006. The impact of such non-provisioning on the profits and earnings per share for the Three Months and Six Months ended 30th September, 2014 and on the reserves and surplus, short-term provisions/short-term loans and advances and deferred tax liability as on that date are presently indeterminate.



6. Based on our review conducted as above, except for the indeterminate effects of the matters referred to in paragraph 5 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse
Firm Registration Number 301112E
Chartered Accountants
Plot No. Y-14, Block – EP, Sector – V
Salt Lake, Kolkata - 700091



Prabal Kr. Sarkar
Partner
Membership Number 52340

Kolkata
21st October, 2014

**UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS
AND SIX MONTHS ENDED 30TH SEPTEMBER, 2014**

(Rs. Lakhs)

Particulars	Three months ended			Six months ended		Financial year ended 31st March 2014 (Audited)
	30th Sept 2014 (Unaudited)	30th June 2014 (Unaudited)	30th Sept 2013 (Unaudited)	30th Sept 2014 (Unaudited)	30th Sept 2013 (Unaudited)	
1. Income from Operations						
a) Net Sales/Income from Operations	48719	9938	49079	58657	66524	144032
b) Other Operating Income	810	128	1072	938	1261	3474
Total Income from Operations (Net)	49529	10066	50151	59595	67785	147506
2. Expenses						
a) Cost of materials consumed (Note 4)	12858	5799	9265	18657	17214	22960
b) Changes in inventories of finished goods and stock-in-trade (Note 5)	(20532)	(17318)	(15001)	(37850)	(33943)	(1929)
c) Employee Benefits Expense	15835	13705	14592	29540	27485	52194
d) Power and Fuel	7179	3985	6461	11164	10828	17022
e) Consumption of Stores and Spare Parts	1888	2490	1491	4378	3787	5556
f) Freight, Shipping and Selling Expenses	2371	956	2096	3327	3220	7478
g) Depreciation and Amortisation	2212	944	902	3156	1751	2408
h) Other Expenditure	4783	3444	4967	8227	9893	17427
Total Expenses	26594	14005	24773	40599	40235	123116
3. Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	22935	(3939)	25378	18996	27550	24390
4. Other Income	1059	1888	984	2947	2523	4667
5. Profit/ (Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	23994	(2051)	26362	21943	30073	29057
6. Finance Costs	1844	1149	1598	2993	2515	5605
7. Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	22150	(3200)	24764	18950	27558	23452
8. Exceptional Items (Note 7)	-	-	215	-	388	298
9. Profit / (Loss) from Ordinary Activities before Tax (7-8)	22150	(3200)	24549	18950	27170	23154
10. Tax Expense (Note 6)						
- Current Tax	-	-	-	-	-	4423
- Less MAT Credit	-	-	-	-	-	(1088)
- Provision/(Write back) relating to earlier years	-	-	-	-	-	(35)
- Deferred Tax	-	-	-	-	-	(956)
11. Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	22150	(3200)	24549	18950	27170	20810
12. Extraordinary Items	-	-	-	-	-	-
13. Net Profit/ (Loss) for the period (11-12)	22150	(3200)	24549	18950	27170	20810
14. Paid-up Equity Share Capital: Face Value : Rs. 5/- per share	5473	5473	5473	5473	5473	5473
15. Reserves and Surplus (excluding Revaluation Reserve)						130265
16. Earnings per Share before and after Extraordinary Items (Rs.)						
a) Basic	20.24	(2.92)	22.43	17.31	24.82	19.01
b) Diluted	20.24	(2.92)	22.43	17.31	24.82	19.01
A. PARTICULARS OF SHAREHOLDING						
1. Public Shareholding						
- Number of Shares	59422150	59422150	59422150	59422150	59422150	59422150
- Percentage of Shareholding	54.29	54.29	54.29	54.29	54.29	54.29
2. Promoters and Promoter Group Shareholdings						
a) Pledged/Encumbered						
- Number of shares	5864670	5864670	5864670	5864670	5864670	5864670
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	11.72	11.72	11.72	11.72	11.72	11.72
- Percentage of shares (as a % of the total share capital of the company)	5.36	5.36	5.36	5.36	5.36	5.36
b) Non-Encumbered						
- Number of shares	44168915	44168915	44168915	44168915	44168915	44168915
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	88.28	88.28	88.28	88.28	88.28	88.28
- Percentage of shares (as a % of the total share capital of the company)	40.35	40.35	40.35	40.35	40.35	40.35
B. INVESTOR COMPLAINTS						
Pending at the beginning of the quarter			NIL			
Received during the quarter			2			
Disposed of during the quarter			2			
Remaining unresolved at the end of the quarter			NIL			

3 months ended 30th September 2014



Notes :

1. Statement of Assets and Liabilities

	As at 30th Sept 2014 (Unaudited)	As at 31st March 2014 (Audited)
A. EQUITY AND LIABILITIES		
1. Shareholders' Funds		
Share Capital	5473	5473
Reserves and Surplus	200306	186490
Sub-total - Shareholders' funds	<u>205779</u>	<u>191963</u>
2. Non-current liabilities		
Long - term Borrowings	4000	5000
Deferred Tax Liabilities (net)	3700	6013
Long - term Provisions	3126	3060
Sub-total -Non-current liabilities	<u>10826</u>	<u>14073</u>
3. Current Liabilities		
Short-term Borrowings	62589	13740
Trade Payables	9369	6614
Other Current Liabilities	11483	10266
Short-term Provisions	5245	13863
Sub-total - Current Liabilities	<u>88686</u>	<u>44483</u>
TOTAL- EQUITY AND LIABILITIES	<u>305291</u>	<u>250519</u>
B. ASSETS		
1. Non-Current Assets		
Fixed Assets		
Tangible Assets	157153	161374
Intangible Assets	3153	3199
Capital Work-in-Progress	2985	3925
Non-Current Investments	23985	23985
Long Term Loans and Advances	22003	22037
Other Non-Current Assets	191	195
Sub-total - Non-current assets	<u>209470</u>	<u>214715</u>
2. Current Assets		
Inventories	47542	12673
Trade Receivables	6397	2823
Cash and Cash Equivalents	1787	499
Short Term Loans and Advances	35230	15092
Other Current Assets	4865	4717
Sub-total - Current assets	<u>95821</u>	<u>35804</u>
TOTAL - ASSETS	<u>305291</u>	<u>250519</u>



2. a) The Company is primarily engaged in the business of cultivation, manufacture and sale of tea and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company.
- b) Geographical (Secondary) Segment:
The geographical Segments have been identified as follows:

Sales revenue by geographical market:

	Rs. Lakhs					
	Three months ended			Six months ended		Financial
	30 th Sept	30 th June	30 th Sept	30 th Sept	30 th Sept	year ended
	2014	2014	2013	2014	2013	31 st March
						2014
- India	37195	9470	34038	46665	49910	97507
- Outside India	11524	468	15041	11992	16614	46525
	48719	9938	49079	58657	66524	144032

Period-end assets (comprising Trade Receivables, Cash and Cash Equivalents and Fixed Assets) outside India as on 30th September, 2014 Rs. 817 lakhs (30th September, 2013 – Rs. 147 lakhs, 30th June, 2014 – Rs. 893 lakhs and 31st March, 2014 – Rs. 1056 lakhs).

3. As the Company is engaged in business of cultivation, manufacture and sale of tea (single business segment), which is seasonal in character, figures for the period ended 30th September 2014 should not be construed as representative of likely result for year ending 31st March 2015.
4. Cost of materials consumed represents only Green Leaf purchased from third parties.
5. Stock of bulk tea as on 30th September 2014, has been valued at lower of estimated cost of production (based on estimated production and expenditure for the financial year) and net realisable value. Production of tea not being uniform throughout the year, stock-valuation will be unrealistic if it is based on actual production and expenditure up to 30th September 2014. The effect of any variance from actual cost applicable to total valuation is not readily ascertainable. The aforesaid method of stock valuation is consistent with the accounting policy of the Company for the purpose of determining quarterly results.
6. As the ultimate income tax liability will depend on results for the year ending 31st March, 2015 and in view of the seasonal nature of tea business, the position with regard to provision for Current Tax and also Deferred Tax will be determined at the end of the year. The Company follows this consistently for arriving at quarterly results.
7. Exceptional items represent provision for diminution, other than temporary, in carrying amount of long-term investments.
8. The Company has charged depreciation in keeping with the requirements of Schedule II to the Companies Act, 2013. Consequently, depreciation charge for the three months and six months ended 30th September, 2014 is higher by Rs. 1140 Lakhs with corresponding adverse impact on profit from ordinary activities before tax for the said period and lower net worth and balance of tangible assets by the same extent as on that date. In respect of Buildings and Plant and Machinery, the Company has adopted longer useful lives different from those in Schedule II to the Companies Act, 2013. Such useful lives are based on internal technical assessment made by the Company.
9. Figures for the previous period have been regrouped / rearranged, wherever necessary.
10. The above results for the three months and six months ended 30th September 2014 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 21st October 2014; and these have been subjected to a limited review by the Statutory Auditors of the Company and their observations have been dealt with in Note Nos. 5 and 6 above which are self-explanatory.

McLeod Russel India Limited



K. K. Baheti
K. K. Baheti
Wholetime Director

Kolkata
October 21, 2014