



McLEOD RUSSEL
Believe in tea

21st January 2014

✓ 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 2013 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 2013 have already been sent to the Stock Exchanges.

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

FOUR MANGO LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001
TELEPHONE : 033-2210-1221, 2248-9434 / 35, FAX : 91-33-2248-8114 / 6265
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, 2013
- 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, 2013 :-

		2013-14	2012-13	
1.	Selling Price	Rs.172.87 per kg	Rs.175.95 per kg.	(-) Rs.3.08
2.	Operating Profit	Rs.410.27 Crores	Rs.379.17 Crores	(+) 8%
3.	Net Profit (Standalone)	Rs.400.36 Crores	Rs.372.77 Crores	(+) 7%
4.	Sales Quantity	649 lakh Kg	577 lakh kg	(+)72 lakh kg
5.	Crop	863 lakh kg	768 lakh kg	(+)95 lakh kg

Highlights for the **quarter** ended 31st December, 2013 :-

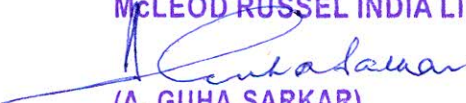
		2013-14	2012-13	
1.	Selling Price	Rs.170.93 per kg	Rs.173.90 per kg.	(-) Rs.2.97
2.	Operating Profit	Rs.134.77 Crores	Rs.128.34 Crores	(+) 5%
3.	Net Profit (Standalone)	Rs.128.66 Crores	Rs.123.15 Crores	(+) 5%
4.	Sales Quantity	268 Lakh Kg	249 lakh kg	(+) 19 lakh kg
5.	Crop	231 lakh kg	220 lakh kg	(+)11 lakh kg

Review of Operations :-

➤ **Production :**

Favorable weather conditions across main tea producing countries in Africa and in India as compared to dry weather conditions last year, has

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improved tea production by record 150 million kg for the calendar year 2013. Indian production is higher by 75 million kg.

Company's production in India is higher by 5.5 million kg from own leaf and by another 4 million kg from small grower's leaf up to December.

➔ **Sales & Prices:**

Higher production in the African region on much improved weather conditions and reduced buying by Egypt, tea prices were lower by 20% at Mombasa auction particularly on Kenyan teas. However, prices for Ugandan teas were marginally lower as compared to last year. Prices in India are marginally lower, despite recovery of crop, due to strong consumption growth and low inventory. Prices at North Indian auctions are lower by Rs.5 per kg.

Tea prices for Company are lower by Rs.3 per kg at Rs.173 per kg. Compared to same period last year. Company exported 18.3 million kg at Rs.200 per kg as against 18.5 million kg at Rs.194 per kg last year.

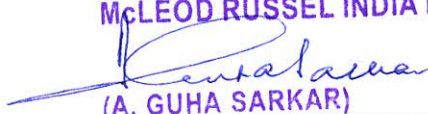
➔ **Operating Result :**

Operating profit for the period nine months ended 31st December 2013 is higher at record Rs.410 crores as against Rs.379 crores last year. This is mainly attributed to higher production both from own leaf and small grower's leaf, stable prices and marginal increase in costs. Employee's expenses are higher by Rs.36 crores on account of revision of wages with effect from 1st January 2013. Cost of Materials (cost of green leaf from small grower's leaf) is higher by 31 crores on higher volume. However, cost per kg of green leaf is lower in line with lower sales prices.

OUTLOOK :

● **Global Production :**

Normal weather conditions across all black tea producing countries as compared to dry weather conditions last year has improved production by 150 million kg as compared to last year. However, there is reports of dry

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