



McLEOD RUSSEL
Believe in tea

23rd May 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 year ended 31st March 2014 together with Management's understanding on future outlook for your information and record.

The Audited Financial Results for the year ended 31st March 2014 have already been sent to the Stock Exchanges.

Please acknowledge receipt.

Yours faithfully,
McLEOD RUSSEL INDIA LIMITED

(A. GUHA SARKAR)
VICE PRESIDENT & COMPANY SECRETARY

Enclo : 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
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A Williamson Magor Group Enterprise



McLEOD RUSSEL INDIA LIMITED
4, Mangoe Lane,
Kolkata 700001

Information Update

Coverage of this update :-

- Financial results for the year ended 31st March, 2014
- Company management's understanding on future outlook

Highlights for the year ended 31st March, 2014 **(Consolidated)**:-

Sl.No.		2013-14	2012-13	
1.	Revenue	Rs.1788.76 Cr.	Rs.1668.55 Cr.	(+) 7%
2.	EBIDTA (Operating)	Rs.352.62 Cr.	Rs.381.22 Cr.	(-) 7%
3.	Net Profit	Rs.257.15 Cr.	Rs.273.93 Cr.	(-) 6%
4.	Sales Quantity	1110 Lac Kg.	1032 Lac kg.	(+) 78 Lac kg.
5.	Crop	1122 Lac kg.	1020 Lac kg.	(+) 102 Lac kg.

Highlights for the year ended 31st March, 2014 **(Standalone)**:-

Sl.No.		2013-14	2012-13	
1.	Revenue	Rs.1475.06 Cr.	Rs.1378.02 Cr.	(+) 7%
2.	Selling Price	Rs.167.63 per kg	Rs.171.27 per kg	(-) Rs.3.64
3.	EBIDTA (Operating)	Rs.267.97 Cr.	Rs.292.36 Cr.	(-) 8%
4.	Net Profit	Rs.208.10 Cr.	Rs.225.70 Cr.	(-) 8%
5.	Sales Quantity	856 Lac Kg.	781 Lac kg.	(+) 75 Lac kg.
6.	Crop	871 Lac kg.	782 Lac kg.	(+) 89 Lac kg.



Review of Operations :-

➡ Sales & Prices:

India

Indian Production was higher at 1200 Million Kg during 2013 as compared to revised figure of 1111 Million kg during 2012 on account of very conducive weather conditions for tea production. Exports were higher by 3 Million Kg at 217 million kg during 2013 on higher demand of Orthodox Tea from Iran. Tea prices in India declined by only 3% despite record crop mainly due to Strong consumption growth and low Opening inventory. The tea prices for the Company for the year are lower by Rs.4 per kg at Rs.167 as compared to last year. The total sales volume during the year is higher by 75 Lac kg. Total Exports for the Company during the year was 24 Million kg at Rs.197 per kg against 25 Million kg at Rs.191 per kg last year. Tea Prices in the domestic market was lower by Rs.5 per kg as compared to last year.

Uganda

McLeod Russel Uganda Limited (MRUL) has sold and exported 16.8 million kg (2012- 15.5 million kg) at an average price of USD 1.89 per kg (2012- USD 2.06 per kg) and achieved turnover of USD 32 millions. Prices were lower by 8% as compared to last year.

Vietnam

Phu Ben Tea Company, Vietnam has sold and exported 5.7 million kg of Tea at an average price of USD 1.94 per kg as against 6.2 million kg at USD 1.96 per kg last year.

Rwanda

Gisovu Tea Company Limited, Rwanda has sold and exported 2.1 million kg of Tea at an average price of USD 3.54 per kg as against 2.2 million kg at an average price of USD 3.68per kg.





➡ **Production :**

India

Production from own leaf was higher by 4.6 million kg on improved weather conditions during the year. Production by bought leaf was higher by 4.2 million kg. The Company achieved highest ever production of 87.1 million kg during the year.

Uganda

MRUL have achieved a total production of 16.2 million kg during the year 2013 as compared to 15.6 million kg last year on improved weather condition.

Vietnam

Tea Production at Phu Ben during 2013 was higher at 6.9 million kg as against 5.9 million kg last year. Increase is mainly out of newly acquired factory Khanh Hoa for Orthodox Tea production.

Rwanda

Gisovu Tea Company Limited produced 2 million kg as against 2.3 million kg last year.

➡ **Operating Result :**

Operating Earnings Before Interest Depreciation and Tax (EBIDTA) is lower at Rs.353 Cr as against Rs.381 Cr last year on consolidated basis. The decrease in EBIDTA was mainly due to lower prices in India, Uganda and Rwanda.

India

Operating EBIDTA on standalone basis was lower at Rs.268 Cr against Rs.292 Cr even though production was higher by 9 million kg. The impact of production increase got negated due to lower selling prices by Rs.3.64 per kg. Operating Costs per kg remained same at Rs. 139 per kg.





Uganda

Operating EBIDTA for McLeod Russel Uganda Limited was lower at Rs.54 crores as against Rs.55 crores last year. Net profit was Rs.45 Cr as against Rs.50 Cr last year.

Vietnam

Operating EBIDTA for Phu Ben Tea Company was higher at Rs.12 Cr as against Rs. 9 Cr last year. This had been possible on higher production.

Rwanda

Gisovu Tea Company Limited had Operating EBIDTA of Rs. 17 Cr as against Rs. 20 Cr last year mainly on account of lower production and lower prices.

OUTLOOK :

● Global Production :

Tea production during current year is estimated to be lower by 15 million kg till March due to Normal weather condition in Africa, dry weather conditions in India till April as compared to favorable weather condition last year across all black tea producing countries. Overall, depending on the weather conditions for rest of the year, production, globally is estimated to be lower as compared to record crop last year.

● Indian Production :

Indian Production was 1200 M kg for 2013 against 1111 M kg in 2012. Production in India during the calendar year 2014 is expected to be lower due to crop loss in the month of April and 1st half of May.



● **Tea Prices & Costs :**

Tea prices at Mombasa Auction for African teas during first four months on current year have declined by 10% to 15% mainly on account of additional carry forward teas from the previous year. Tea prices in India for the new season teas have opened 5% to 10% higher as compared to last year. Prices in India are likely to remain firm because of stagnant to lower production and strong consumption growth.

Marginal increase in input costs and 5% increase in wage cost as per agreement would take the overall cost up by 5% as compared to last year on assumption of normal production.

Notes on this updates:

1. MRIL's Investor Relations activities are co-ordinated by Mr. Amitava Guha Sarkar, Company Secretary (a_guhasarkar@wmq.co.in).
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@wmq.co.in
3. This update being issued after the Board of the Company at its meeting held on May 23, 2014 has taken on record the financial results for year ended 31st March, 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.

McLEOD RUSSEL INDIA LIMITED


(A. GUHA SARKAR)

VICE PRESIDENT & COMPANY SECRETARY