



McLEOD RUSSEL
Believe in tea

30th May 2016

The Secretary
BSE 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 2016 together with Management's understanding on future outlook for your information and record.

The Audited Financial Results for the year ended 31st March 2016 have already been sent to the Stock Exchanges.

Please acknowledge receipt.

Yours faithfully,
McLEOD RUSSEL INDIA LIMITED

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

Encl : as above.

Registered Office :

McLEOD RUSSEL INDIA LIMITED

Corporate Identity Number (CIN) : L51109WB1998PLC087076
FOUR MANGO 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, 2016
- Company management's understanding on future outlook

Highlights for the year ended 31st March, 2016 **(Consolidated)**:-

Sl.No.		2015-16	2014-15	
1.	Revenue	Rs.1926.32 Cr.	Rs.1645.95 Cr.	(+) 17%
2.	EBIDTA (Operating)	Rs.166.61 Cr.	Rs.129.22 Cr.	(+) 29%
3.	Net Profit	Rs.37.30 Cr.	Rs.31.17 Cr.	(+) 20%
4.	Sales Quantity	1181 Lac Kg.	1058 Lac kg.	(+) 123 Lac kg.
5.	Crop	1174 Lac kg.	1098 Lac kg.	(+) 76 Lac kg.

Highlights for the year ended 31st March, 2016 **(Standalone)**:-

Sl.No.		2015-16	2014-15	
1.	Revenue	Rs.1506.79 Cr.	Rs.1388.30 Cr.	(+) 8%
2.	Selling Price	Rs.173.97 per kg	Rs.172.38 per kg	(+) Rs.1.59
3.	EBIDTA (Operating)	Rs.81.65 Cr.	Rs.126.15Cr.	(-) 35%
4.	Net Profit	Rs.14.57 Cr.	Rs.61.98 Cr.	(-) 76%
5.	Sales Quantity	852 Lac Kg.	790 Lac kg.	(+) 62 Lac kg.
6.	Crop	857 Lac kg.	801 Lac kg.	(+) 56 Lac kg.



Review of Operations :-

➤ Sales & Prices:

India

Indian Production continued to suffer for second year in succession due to unfavorable weather. Indian Production was lower at 1191 Million Kg during calendar year 2015 as compared to 1207 Million kg during 2014. Exports were higher by 10 million kg mainly on account of shortage in Kenyan production and improvement in geopolitical atmosphere amongst consuming countries like Russia, Middle East, Egypt and Pakistan. Tea prices in India were similar to last year despite lower production due to sluggish rural demand. The tea prices for the Company for the year are higher by Rs.2 per kg at Rs.174 as compared to last year. The total sales volume during the year was higher by 6.2 million kg. Total Exports for the Company during the year was 19 Million kg at Rs.215 per kg against 13 Million kg at Rs.220 per kg last year.

Uganda

McLeod Russel Uganda Limited (MRUL) has sold and exported 18.3 million kg (2014- 17.2 million kg) at an average price of USD 1.56 per kg (2014- USD 1.56 per kg) and achieved turnover of USD 28 million. Prices were similar as compared to last year.

Vietnam

Phu Ben Tea Company, Vietnam has sold and exported 10 million kg of Tea at an average price of USD 1.40 per kg as against 5.5 million kg at USD 1.63 per kg last year. Prices were lower by 15% as compared to last year.

Rwanda

Gisovu Tea Company Limited, Rwanda has sold and exported 2.27 million kg of Tea at an average price of USD 3.51 per kg as against 2.01 million kg at an average price of USD 2.95 per kg. Prices were higher by 19% as compared to last year.

Newly acquired Pfunda Tea Company Limited, Rwanda has sold 2.39 million kg of tea at an average prices of USD3.15 per kg.



➤ **Production :**

India

Production from own leaf was higher by 2.5 million kg. Production by bought leaf was higher by 3.1 million kg. The Company achieved total production of 85.6 million kg against 80 million kg last year.

Uganda

MRUL have achieved a total production of 18.4 million kg during the year 2015 as compared to 18.2 million kg last year on improved weather condition.

Vietnam

Tea Production at Phu Ben during 2015 was higher at 8.7 million kg as against 7.1 million kg last year.

Rwanda

Gisovu Tea Company Limited produced 2.2 million kg during the year as against 2.0 million kg last year.

Pfunda Tea Company Limited produced 2.4 million kg during 2015.

➤ **Operating Result :**

Consolidated Operating Earnings Before Interest Depreciation and Tax (EBIDTA) is higher at Rs.167 Cr as against Rs.130 Cr last year. The increase in EBIDTA was mainly due to increase in production and prices for Uganda and Rwanda operations.

India

Operating EBIDTA on standalone basis was lower at Rs.82 Cr against Rs.126 Cr on substantial increase in wages during the year. The impact of price increase of Rs.2 per kg was not sufficient to take care of such increase in costs. EBIDTA Cost per kg went up to Rs.167 as compared to Rs.157 per kg.



Uganda

Operating EBIDTA for McLeod Russel Uganda Limited was higher at USD 8.45 million as against USD 2.9 million last year. Net profit was USD 5.21 million as against USD 0.8 million last year.

Vietnam

Operating EBIDTA for Phu Ben Tea Company was lower at loss of USD 0.8 million as against loss of USD 0.4 million last year due to reduction in prices by 15%.

Rwanda

Gisovu Tea Company Limited had Operating EBIDTA of USD 3.26 million as against USD 1.7 million last year mainly on account of higher prices.

Pfunda Tea Company Limited had operating EBITA of USD 3.19 million for the year 2015.

OUTLOOK :

Black Tea production during 2015, was negatively impacted by lower production in India and Kenya. Tea prices at Mombasa auction increased by 20% over previous year. However, tea prices in India maintained at last year's level. We have observed complete reversal of these factors during first four months of current year. Tea production in Kenya is reported to be higher by 40 million kg up to March as compared to previous year on account of much improved weather conditions. Tea prices at Mombasa auction during the first four months of the year have decreased by 20% as compared to last year. Weather conditions in India during first few months of new season have improved substantially as compared to dry weather conditions last year. It is expected that the industry would recover substantial part of crop losses suffered last year. Prices in India are likely to remain firm mainly due to robust demand in Indian as well as Global markets. Recovery of crop should help in setting off increase in the wages and other input costs.



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 May 30, 2016 has taken on record the financial results for year ended 31st March, 2015.
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.mcleodrussel.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.

