



McLEOD RUSSEL  
*Believe in tea*

5<sup>th</sup> February 2018

The Secretary  
BSE Ltd  
P.J. Towers, 25<sup>th</sup> Floor  
Dalal Street,  
MUMBAI -400 001  
Scrip Code:532654

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

The Secretary  
The Calcutta Stock  
Exchange 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 31<sup>st</sup> December 2017 together with Management's understanding on future outlook for your information and record.

The Unaudited Financial Results for the quarter ended 31<sup>st</sup> December 2017 have already been sent to the Stock Exchanges.

Please acknowledge receipt.

Thanking you,

Yours faithfully,  
**McLEOD RUSSEL INDIA LIMITED**

  
**(A. GUHA SARKAR)**  
**SENIOR 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  
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 31<sup>st</sup> December, 2017
- Company management's understanding on future outlook
- Phu Ben Tea Company Limited, Vietnam
- McLeod Russel Uganda Limited, Uganda
- Gisovu Tea Company Limited, Rwanda
- Pfunda Tea Company Limited, Rwanda

Highlights for the **nine months** ended 31<sup>st</sup> December, 2017 :-

		2017-18	2016-17	
1.	Selling Price	Rs.179.16 per kg	Rs.171.87 per kg.	(+) Rs.7.29
2.	Operating Profit *	Rs.281.85 Crores	Rs.244.55 Crs **	(+) 15%
3.	Net Profit (Standalone)	Rs.209.35 Crores	Rs.138.36 Crores	(+) 51%
4.	Sales Quantity	667 lakh Kg	603 lakh kg	(+) 64 lakh kg
5.	Crop	862 lakh kg	821 lakh kg	(+) 41 lakh kg

Highlights for the **quarter** ended 31<sup>st</sup> December, 2017 :-

		2017-18	2016-17	
1.	Selling Price	Rs.181.93 per kg	Rs.170.26 per kg.	(+) Rs.11.67
2.	Operating Profit *	Rs.52.25 Crores	Rs.59.85 Crs **	(-) 13%
3.	Net Profit (Standalone)	Rs.67.49 Crores	Rs.23.62 Crores	(+) 186%
4.	Sales Quantity	300 Lakh Kg	253 lakh kg	(+) 47 lakh kg
5.	Crop	232 lakh kg	214 lakh kg	(+) 18 lakh kg

\* Operating Profit Before Interest and Depreciation

\*\* Operating profit for **last year** includes additional land compensation of Rs. 44.44 crores for nine months and Rs. 15.05 Crores for the quarter.



## **Review of Operations :-**

### **➤ Production :**

Tea production in India was higher at 1208 million kg as against 1203 million kg last year for the period from January to November due to recovery of production in South India. However, production in North India was lower by 15 million kg on adverse weather conditions during month of September. Tea production in Kenya had been lower by 33 million kg at 440 million kg for the year 2017.

Tea production from own plantation for the Company was higher by 4 million kg as compared to last year. However, production from small grower's leaf was similar to last year.

### **➤ Sales & Prices:**

Decrease in production in Kenya had positive impact on prices at Mombasa Auction for the calendar year 2017. Average tea prices at Mombasa auction for calendar year 2017 were higher at USD 2.8 per kg against USD 2.3 per kg last year.

Tea Prices in India have also been positively impacted due to lower crop in Kenya and North India and increased demand both in Export and Domestic Market. Tea prices for the Company is higher by Rs.7.3 per kg for nine months ending 31<sup>st</sup> December. Sales quantity for the period is higher by 6.4 million kg.

### **➤ Operating Result :**

Operating profit before Interest and Depreciation for the quarter is at Rs.52 crores as against Rs 60 crores last year. However, last year operating income included Rs.15 crore of land compensation. Staff cost has increased by Rs.21 crores on revision of wages and increase in welfare costs.



