



MCLEOD RUSSEL
Believe in tea

17th June, 2019

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- Kurla Complex,
Bandra(E)
Mumbai - 400 051
Scrip Code: MCLEODRUSS

The Secretary
The Calcutta Stock
Exchange Ltd.
7, Lyons Range,
Kolkata - 700 001
Scrip Code: 10023930

Dear Sir,

Sub: Intimation regarding Credit Rating

In terms of regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we write to inform you that ICRA limited has downgraded the credit rating for the long-term borrowing program of the company and also the short term rating.

We also enclose a copy of the letter and rationale received from ICRA on 17th June 2019, giving details and reasons of the rating as aforesaid for your information.

Thanking You

Your faithfully,
MCLEOD RUSSEL INDIA LIMITED


(DEBANJAN SARKAR)
**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Encl: 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
E-mail : administrator@mcleodrussel.com Website : www.mcleodrussel.com



A Williamson Magor Group Enterprise

Mcleod Russel India Limited

June 17, 2019

Mcleod Russel India Limited: Moved to ISSUER NOT COOPERATING due to Non Submission of No Default Statement (NDS), Ratings downgraded based on best available Information

Summary of rated instruments

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loan	360.00	360.00	[ICRA]B-(Negative) ISSUER NOT COOPERATING*; downgraded from [ICRA]BBB- (Negative) and moved to 'Issuer Not Cooperating' category
Fund-based Bank Facilities	491.76	491.76	[ICRA]B-(Negative)ISSUER NOT COOPERATING*; downgraded from [ICRA]BBB- (Negative) and moved to 'Issuer Not Cooperating' category
Fund-based Bank Facilities**	163.92	163.92	[ICRA]B-(Negative)/[ICRA]A4 ISSUER NOT COOPERATING*; downgraded from [ICRA]BBB- (Negative)/[ICRA]A3 and moved to 'Issuer Not Cooperating' category
Non-fund-based Bank Facilities	15.41	15.41	[ICRA]A4 ISSUER NOT COOPERATING*; downgraded from [ICRA]A3 and moved to 'Issuer Not Cooperating' category
Total	1031.09	1031.09	

**Issuer did not cooperate, based on best available information*

Rating Action

ICRA has downgraded the ratings of bank facilities of Mcleod Russel India Limited to [ICRA]B- (pronounced ICRA B minus)/[ICRA]A4 (pronounced ICRA A four) from [ICRA]BBB- (pronounced ICRA triple B minus)/[ICRA]A3 (pronounced ICRA A three). ICRA has also moved the ratings to the 'Issuer Not Cooperating' category due to non submission of monthly 'No Default Statement' ("NDS") by the entity. The rating is now denoted as "[ICRA]B-(Negative)/[ICRA]A4 ISSUER NOT COOPERATING"

ICRA has been consistently following up with Mcleod Russel India Limited for obtaining the monthly 'No Default Statement' and had also placed the ratings under review due to non-submission of NDS in the month of April 2019. However, the entity's management has remained non-cooperative in this regard. The current rating action has been taken by ICRA basis best available information on the issuers' performance. Accordingly the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Rationale

The revision of ratings factors in continued pressure on the liquidity profile of the company, notwithstanding the receipt of a majority of the proceeds from the sale of tea estates. Delays in utilising such sale proceeds in debt reduction resulted in MRIL's overall leveraging still remaining high. ICRA understands that MRIL's high financial exposure to weak Group companies was largely funded by short-term debt, thus exposing the company to significant refinancing risks. ICRA also notes that MRIL has sizeable debt repayment obligations in the near term, which are unlikely to be met from its operational cash flows. Timely fruition of deleveraging plans of the company and the Group and the trend in tea prices relative to costs would be important factors for determining the overall financial risk profile of the company.

Kindly refer to the previous detailed rating rationale which is available on the following link: [Click here](#)

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

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ICRA

ICRA Limited

Ref: ICRA/KOL/RA/2019-20/125

June 14, 2019

Mr. K.K. Baheti
Director
McLeod Russel India Limited
Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata – 700 001

Dear Sir,

Re: ICRA-assigned Credit Rating for Rs. 1031.09 crore Line of Credit of McLeod Russel India Limited (instrument details in Annexure)

Please refer to the Rating Agreement dated August 03, 2017 between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review its ratings, on an annual basis, or as and when the circumstances so warrant.

Based on a review of the latest developments, the rating committee of ICRA, after due consideration has revised the long-term rating from [ICRA]BBB- (pronounced ICRA triple B minus) to [ICRA]B- (pronounced ICRA B minus). The short-term rating has also been revised from [ICRA]A3 (pronounced ICRA A three) to [ICRA]A4 (pronounced ICRA A four). The Outlook on the long-term rating is Negative.

The aforesaid ratings will be due for surveillance anytime before July 31, 2019.

We also request you to please note that in accordance with the circular issued by SEBI on June 30, 2017 on ‘Monitoring and Review of Ratings by Credit Rating Agencies (CRAs), we had requested you to submit the monthly ‘No Default Statement (NDS)’ to us by the 1st working day of every month, and had subsequently sent you a reminder for submission of NDS per our e-mail dated June 10, 2019.

As we did not receive any response from Your Company within the requested timeline, the Rating Committee of ICRA after due consideration and on the basis of best available information has also moved the rating to ‘Issuer Not Cooperating’ category. The rating is now denoted as [ICRA]B-(Negative)/ICRA]A4 ISSUER NOT COOPERATING.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned. Notwithstanding the foregoing, any change in the over-all limit of the LOC from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

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RATING • RESEARCH • INFORMATION 26616



ICRA

ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

You are requested to furnish a monthly '*No Default Statement (NDS)*' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility]. This is in accordance with requirements prescribed in circular dated June 30, 2017 on '*Monitoring and Review of Ratings by Credit Rating Agencies(CRAs)*' issued by the Securities and Exchange Board of India.

You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
for ICRA Limited

Kaushik Das
Vice President
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Sumit Jhunjunwala
Assistant Vice President
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ICRA

'No Default Statement on the Company Letter Head'

To
<CRA Name and Address>

Dear Sir/ Madam,

1. We hereby Confirm that as on date there are no Over dues or default on our debt obligations
2. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of our debt obligations.
3. We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <Month and Year name>.
4. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
5. We also confirm that there has been no overdraft of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
6. Details of delay/ default/ rescheduling of interest or principal as on date/ in the month ended<Month and Year name> , in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>



ICRA

Annexure

Rated on Long Term Scale			
Facility	Amount in Rs crore	Rating	Assigned on
Fund Based Limits-CC/EPC			
ICICI Bank	143.43	[ICRA]B- (Negative) ISSUER NOT COOPERATING	June 14, 2019
State Bank of India	142.81		
United Bank of India	107.07		
HDFC Bank	106.54		
Allahabad Bank	61.47		
UCO Bank	41.57		
Axis Bank	20.00		
RBL Bank	20.49		
Yes Bank	12.29		
Term Loans			
ICIC Bank Limited	98.97		
HDFC Bank Limited	29.97		
RBL Bank Limited	60.00		
Yes Bank Limited	132.22		
Others	38.84		
Total	1015.68		

Rated on Long Term and Short Term Scale (facilities interchangeable)			
Facility	Amount in Rs crore	Rating	Assigned on
Fund Based Limits-EBD			
ICICI Bank	20.49	[ICRA]B- (Negative) / [ICRA]A4 ISSUER NOT COOPERATING	June 14, 2019
State Bank of India	36.47		
United Bank of India	39.45		
HDFC Bank	34.42		
Allahabad Bank	20.49		
UCO Bank	8.50		
Axis Bank	4.10		
Total	163.92		



ICRA

Rated on Short Term Scale			
Facility	Amount in Rs crore	Rating	Assigned on
Non-Fund Based Limits		[ICRA]A4 ISSUER NOT COOPERATING	June 14, 2019
ICICI Bank	2.62		
State Bank of India	2.62		
United Bank of India	2.05		
HDFC Bank	2.05		
Allahabad Bank	0.82		
Axis Bank	5.25		
Total	15.41		