



McLEOD RUSSEL
Believe in tea

10th November 2017

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 quarter ended 30th September 2017 together with Management's understanding on future outlook for your information and record.

The Unaudited Financial Results for the half year/quarter ended 30th September 2017 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
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 half year ended 30th September, 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 half year ended 30 th September, 2017 :-				
		2017-18	2016-17	
1.	Selling Price	Rs.176.91 per kg	Rs.173.03 per kg.	(+) Rs.3.88
2.	Operating Profit *	Rs.229.60 Crores	Rs.184.70Cr ^s **	(+) 24%
3.	Net Profit (Standalone)	Rs.141.86 Crores	Rs.114.74 Crores	(+) 24%
4.	Sales Quantity	367 lakh Kg	350 lakh kg	(+)17 lakh kg
5.	Crop	630 lakh kg	607 lakh kg	(+)23 lakh kg

- Operating Profit Before Interest and Depreciation

Highlights for the quarter ended 30 th September, 2017 :-				
		2017-18	2016-17	
1.	Selling Price	Rs.180.64 per kg	Rs.173.82 per kg.	(+) Rs.6.82
2.	Operating Profit *	Rs.215.97 Crores	Rs.195.44 Cr ^s **	(+) 11%
3.	Net Profit (Standalone)	Rs.143.52 Crores	Rs.132.08 Crores	(+) 9%
4.	Sales Quantity	256 Lakh Kg	250 lakh kg	(+) 6 lakh kg
5.	Crop	389 lakh kg	389 lakh kg	-

- * Operating Profit Before Interest and Depreciation

** Operating profit for **last year** includes additional land compensation of Rs. 29.39 crores for the half year and Rs. 29.15 Crores for the quarter.

McLEOD RUSSEL INDIA LIMITED


A. GUHA SARKAR
 SENIOR VICE-PRESIDENT &
 COMPANY SECRETARY

Review of Operations :-

➤ Production :

Tea production in India was lower at 912 million kg as against 923 million kg last year for the period January to September due to loss of 26 million kg in North India on adverse weather conditions during month of September. However, Tea production in South India was higher by 15 million kg. Tea Production in Kenya has been lower by 43 million kg up to August.

Tea production from own plantation for the Company was higher by 2.7 million kg as compared to last year. However, Production from out grower's leaf was lower by 0.4 million kg for the year up to September.

➤ Sales & Prices:

Decrease in production in Kenya had positive impact on prices at Mombasa Auction. Average tea prices at Mombasa Auction for nine months ending September was higher at USD 2.86 per kg as against USD 2.29 per kg last year.

Tea Prices in India have also been positively impacted due to lower crop in Kenya and increased demand both in Export market and Domestic markets. Tea prices for the Company is higher by Rs.4 per kg for six months ending 30th September. Sales quantity for the period is higher by 1.7 million kg.

➤ Operating Result :

Operating profit before interest and Depreciation for the quarter is higher by 11% at Rs.216 crores as against Rs.195 crores last year. This is mainly attributable to higher prices during the quarter. Staff cost has increased by Rs.17 crores on revision of wages and welfare costs.



OUTLOOK :

⊙ Global Production :

Tea Production in Kenya is reported to be lower by 43 million kg up to August as compared to last year due to unfavorable weather during January to March 2017. We expect the production from Africa to remain lower for the rest of the season.

Indian Production :

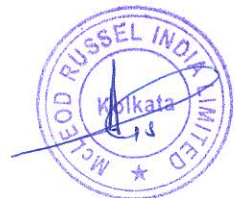
Indian Production is estimated to be lower by 11 million up to September as compared to last year due to lower production in North India. Tea production in South India has recovered to normal production after sustaining drought for last year. Overall production for the country is expected to be in the range of 1200-1220 million kg for the full year.

⊙ Tea Prices & Costs :

Tea prices in African region have been higher by USD 0.57 per kg up to September due to loss of crop in Kenya. We expect the trend to continue for the rest of the year.

Tea prices in India have increased by Rs.5 per kg due to increased demand from both domestic and export market and lower production. Tea Prices have moved higher during October by Rs.20 per kg in auction for the Company as compared to last year. Prices are expected to remain higher on expectation of growth in rural demand post normal monsoon in the country.

Cost during the year is expected to be higher by 9% in absolute terms due to increase in wages and input costs.



Ⓢ **Phu Ben Tea Company Limited, Vietnam :**

During the nine months ended 30th September 2017 Phu Ben achieved a total production of 4.85 million kg of tea as against 5.91 million kg for the same period last year. The Company recorded EBDITA USD (-)0.1 million on a sales turnover USD 7.93 million with average of USD 1.42 per kg as against EBIDTA of USD (-)0.8 million on a sales turnover of USD 5.96 million with sales average of USD 1.34 per kg during the same period last year.

Ⓢ **McLeod Russel Uganda Limited, Uganda :**

During the nine months ended 30th September 2017 McLeod Russel Uganda achieved a total production of 11.1 million kg of tea as against 12.1 million kg for the same period last year. The Company recorded EBIDTA USD 7.91 million on a sales turnover USD 20.91 million with average of USD 1.92 per kg as against EBIDTA of USD 7.00 million on a sales turnover of USD 22.35 million with sales average of USD 1.66 per kg during the same period last year.

Ⓢ **Gisovu Tea Company Limited, Rwanda :**

During the nine months ended 30th September 2017 Gisovu Tea Company achieved a total production of 1.90 million kg of tea as against 1.73 million kg during the same period last year. The Company recorded EBIDTA USD 3.67 million on a sales turnover USD 8.6 million with average of USD 3.91 per kg as against EBIDTA of USD 1.93 million on a sales turnover of USD 6.1 million with sales average of USD 3.11 per kg.

Ⓢ **Pfunda Tea Company Limited, Rwanda :**

During the nine months ended 30th September 2017 Pfunda Tea Company achieved a total production of 1.72 million kg of tea as against 1.85 million kg during the same period last year. The Company recorded EBIDTA USD 2.18 million on a sales turnover USD 5.84 million with average of USD 3.02 per kg as against EBIDTA of USD 1.02 million on a sales turnover of USD 4.3 million with sales average of USD 2.38 per kg.

Aggregate Overseas operation during the period from January To September have recorded EBIDTA of USD 13.64 million as against USD 9.16 million for the same period last year.



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 November 10, 2017 has taken on record the quarterly results for quarter ended 30th September, 2017.
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.

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