



Balrampur Chini Mills Limited

9M FY2008

Revenues at Rs. 10,606 million

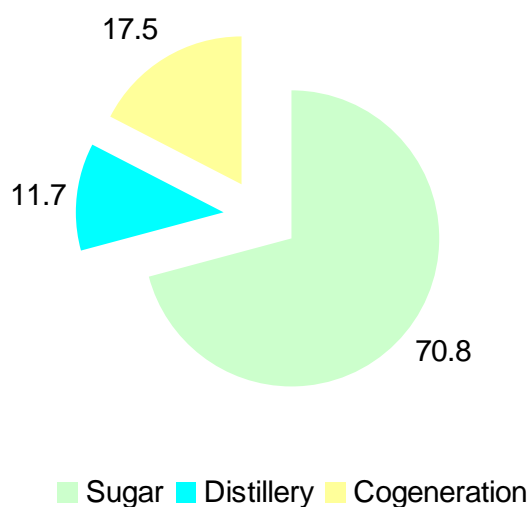
Operating profits stood at Rs. 2,569 million

PAT improves to Rs. 825 million

Kolkata, July 31, 2008: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, announced its results for the third quarter & nine months ended 30 June 2008.

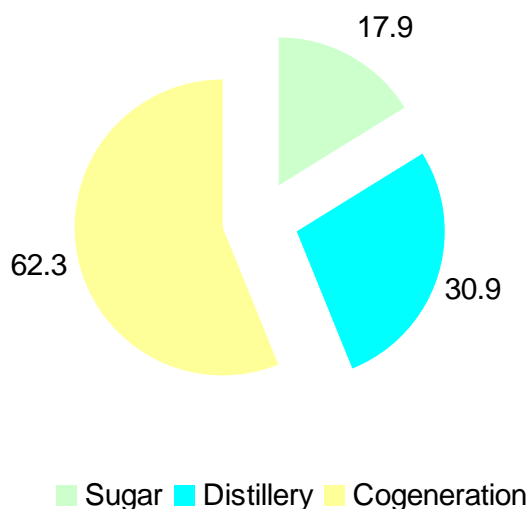
Financial breakup (9M FY2008)

Revenues



- Sugar segment contributed Rs. 8,569.4 million to top-line. It constitutes 70.8% of the gross revenues.
- Distillery business expanded its contribution to 11.7% in 9M FY2008 compared to 9.7% in the corresponding period last year.
- Co-generation segment delivered Rs. 2,115 million to revenues, up by 36%. Its contribution improved to 17.5% in 9M FY2008 from 12.6% in 9MFY2007.

PBIT



- Co-generation business contributed 62.3% to PBIT at Rs. 1,049.3 million.
- Distillery segment reported a 29% increase in operating profits to Rs. 520 million



Commenting on the performance for Q3 & 9M FY2008, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

“The sugar business continues to have its own set of challenges which include - high cane cost, moderate realizations and unresolved cane pricing issue that is now under review by the judiciary. Until there is clarity on the cane pricing issue there will be uncertainty around our future outlook.

Our ability and confidence to stand steady in such a scenario stems from the inherent strengths that we have built in our operating model during the last several years the highly integrated nature of operation, which provides a cushion to the recent volatility in the sugar business.”

Q3 FY2008 performance overview (Compared with Q3 FY2007)

- Net revenues at Rs 3,169.0 million from Rs 3,670.3 million
- PBIDT stood at Rs 841.3 million from Rs (146.6) million
- PAT increases to Rs 168.5 million from Rs (473.1) million.
- EPS increase to Rs 0.66 from Rs (1.91)

9M FY2008 performance overview (Compared with 9M FY2007)

- Net revenues at Rs 10,605.6 million from Rs 11,049.1 million
- PBIDT gains 166 % to Rs 2,569.0 million from Rs 966.3 million
- PAT stood at Rs 824.5 million from Rs. (81.6) million
- EPS improves to Rs 3.26 from Rs. (0.33)



Operating overview

- Sugar production for Q3 FY2008 was significantly lower at 8.07 lakh quintals and at 81.86 lakh quintals for 9M FY2008.
- In Q3 FY2008, distillery segment produced 23,807 KL and in 9M FY2008 the Company produced 70,410 KL
- The total power production in Q3 & 9M FY2008 improved by 7.6% and 26.3% to 1,990 lakh units and 7,198 lakh units respectively.

- ENDS -



Attached: Details to the announcement and results table

About Balrampur Chini Mills Limited

Balrampur Chini Mills Limited (BCML) is one of the largest integrated sugar companies in India. The allied businesses of the Company comprise distillery operations, cogeneration of power and manufacturing of bio-compost. The Company presently has nine sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 73,500 TCD, distillery and cogeneration operations of 320 KLPD and 126 MW (Saleable) respectively.

BCML is one of the most efficient integrated sugar producers in the country. The Company has grown its capacity by well-planned capacity expansion projects and the acquisition of existing companies over recent years.

For more information on the Company, please log on to www.chini.com.

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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, agricultural policies, climatic conditions, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Balrampur Chini Mills Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Details to the announcement Discussions and Financial Overview

(All comparisons with Q3 & 9M FY2007 figures)

(All rupee figures in Rs. million unless stated otherwise)

Financial overview

Particulars	Net income	PBIDT
Q3 FY2008	3,169.0	841.3
Q3FY2007	3,670.3	(146.6)
<i>% Shift</i>	(13.7)	-
9M FY2008	10,605.6	2,569.0
9M FY2007	11,049.1	966.3
<i>% Shift</i>	(4.0)	165.9

Revenues were lower during the period under review on account of decline in volumes primarily witnessed in the sugar segment although allied businesses delivered steady contribution to the top-line.

Operating profits witnessed an increase primarily in the sugar division where the Company has accounted for cane at Rs. 110 /- per quintal.

Growth in PBIDT was further driven by an improvement in raw material yield witnessed in the sugar business.



Sugar segment	Gross Revenues	% Contribution to revenues
Q3 FY2008	2,360.6	66.7
Q3 FY2007	3,043.0	74.2
<i>% Shift</i>	(22.4)	-
9M FY2008	8,569.4	70.8
9M FY2007	9,606.6	77.6
<i>% Shift</i>	(10.8)	-

In the quarter and nine months under review, revenues in the sugar segment were lower owing to a decrease in sugar sales volumes. Production volumes in both the periods under review declined on account of the shortage of sugarcane availability during the season.

Average sugar realization for the quarter under review improved marginally to Rs. 14.87 per Kg compared to Rs. 13.41 per kg in the corresponding previous quarter. In 9M FY2008, sugar realisations were lower at Rs. 14.20 per Kg compared to Rs. 14.90 per Kg in the corresponding period last year.

Distillery segment	Gross Revenues	% Contribution to revenues
Q3 FY2008	563.8	15.9
Q3 FY2007	534.4	13.0
<i>% Shift</i>	5.5	
9M FY2008	1,411.5	11.7
9M FY2007	1,198.1	9.7
<i>% Shift</i>	17.8	

There was a steady increase in revenues in Q3 & 9M FY2008 in the distillery segment driven by healthy sales volume.



Cogeneration segment	Gross Revenues	% Contribution to revenues
Q3 FY2008	611.6	17.3
Q3 FY2007	519.4	12.7
<i>% Shift</i>	<i>17.6</i>	
9M FY2008	2,114.7	17.5
9M FY2007	1,558.5	12.6
<i>% Shift</i>	<i>35.7</i>	

Revenues in the cogeneration segment grew by 18% and 36% to Rs. 612 million and Rs. 2,115 million in Q3 & 9M FY2008 respectively. Revenue growth was driven by enhancement of overall saleable power production capacity.

Average realizations for the quarter and nine months under review stood at Rs. 3.05 and Rs. 3.04 respectively.



PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
Q3 FY2008	96.1	18.8
Q3 FY2007	(744.1)	-
% Shift	-	
9M FY2008	302.1	17.9
9M FY2007	(614.7)	-
% Shift	-	

Earnings from this segment improved owing to decrease in the cost of sugarcane. Also the average sugar recoveries from sugarcane for the quarter and nine months under review has improved and stood at 10.23% and 10.16% respectively. Improved recoveries have also enabled the Company to report better earnings in both the periods under review.

The UP Sugar Mills Association (UPSMA) of which Company is a member had filed Special Leave Petition (SLP) in Hon'ble Supreme Court of India against the final order dated 7th July, 2008 of Lucknow Bench of the Hon'ble Allahabad High Court. The said order upheld the State Advised Price (SAP) of Rs. 125/- per quintal for Sugarcane for Season 2007-08. Earlier, Lucknow Bench of the Hon'ble Allahabad High Court in the Interim Order dated 15th November, 2007 read with Order dated 21st January, 2008 directed the Sugar Mills in Uttar Pradesh to pay sugarcane price @ Rs. 110/- per quintal and accordingly sugarcane purchases have been accounted for at this rate.



Distillery segment	PBIT	% Contribution to PBIT
Q3 FY2008	202.4	39.6
Q3 FY2007	159.9	-
<i>% Shift</i>	26.6	
9M FY2008	520.1	30.9
9M FY2007	403.6	-
<i>% Shift</i>	28.9	

The distillery segment of the Company delivered a healthy operating performance on account of higher sales volumes and better realizations witnessed in the quarter. Average realizations in the quarter and nine months under review stood at Rs. 20.30 and Rs. 19.70.

BCML is witnessing better realisations across products like ENA and RS and expects to post strong earnings from this segment in the coming quarters.

Cogeneration segment	PBIT	% Contribution to PBIT
Q3 FY2008	311.4	61.0
Q3 FY2007	273.8	-
<i>% Shift</i>	13.7	
9M FY2008	1,049.3	62.3
9M FY2007	749.0	
<i>% Shift</i>	40.1	

The cogeneration segment delivered a healthy increase in operating profits driven by optimal utilization levels during the quarter. Earnings continue to grow in-line with revenue growth.



Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
Q3 FY2008	261.9	168.5	498.9
Q3 FY2007	(559.0)	(473.1)	(267.9)
% Shift	-	-	-
9M FY2008	1,072.1	824.5	1,708.2
9M FY2007	(16.1)	(81.6)	488.2
% Shift	-	-	250

Led by the cogeneration and the distillery segments, the Company was successful in delivering a improved earnings performance. Additionally, in the sugar segment increase in earnings was driven by lower sugar cane procurement costs and higher recoveries achieved by the Company in the quarter and nine months under review.

Operational overview

Sugar production (Lakh quintals)

Particulars	Q3FY2008	Q3FY2007	9MFY2008	9MFY2007
Sugar cane crushed	78.9	221.2	805.8	923.1
Production	8.07	20.9	81.9	91.5
Recovery (%)	10.23	9.45	10.16	9.91

During the quarter and nine months under review, total sugar crushed declined as a result of lower availability of sugarcane.



Distillery operations (KL)

Particulars	Q3FY2008	Q3FY2007	9MFY2008	9MFY2007
Production	23,806.8	27,766.0	70,409.8	52,208.0
% Shift	(14.3)		34.9	

Production volumes during the quarter were lower. For the nine months under review, the Company has registered a 35% increase in the production.

Cogeneration operations (Lakh units)

Particulars	Q3FY2008	Q3FY2007	9MFY2008	9MFY2007
Power production	1,990.0	1,849.9	7,197.7	5,698.8
% Shift	7.5%		26.3%	

The total production volumes in Q3 & 9M FY2008 for the Cogeneration segment has improved owing to expanded capacities.

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S.T.R.E.T.C.H
Unaudited Financial Results
for the quarter ended 30th June, 2008

(Rs. Lacs)

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2008 Unaudited	30.06.2007 Unaudited	30.06.2008 Unaudited	30.06.2007 Unaudited	30.09.2007 Audited
1	Net Sales/Income from Operations	31633	36526	105183	109927	139172
2	Other Income	57	177	873	564	1021
3	Total Income (1+2)	31690	36703	106056	110491	140193
4	Expenditure					
	a) (Increase)/Decrease in Stock in trade	7890	2647	(39965)	(45976)	(21360)
	b) Consumption of Raw Materials	10461	30339	100287	127821	128099
	c) Employee Cost	1804	1562	6285	5435	7529
	d) Depreciation	3304	2052	8837	5698	8022
	e) Other Expenditure	3122	3621	13759	13548	15997
	f) Total Expenditure	26581	40221	89203	106526	138287
5	Interest	2490	2072	6132	4126	5442
6	Profit / (Loss) before Tax (3-4-5)	2619	(5590)	10721	(161)	(3536)
7	Tax Expense	934	(859)	2476	655	648
8	Net Profit / (Loss) (6-7)	1685	(4731)	8245	(816)	(4184)
9	Paid up Equity Share Capital (Face value of Re.1/- each)	2555	2482	2555	2482	2482
10	Reserves excluding Revaluation Reserve	-	-	-	-	83917
11	Earnings Per Share (EPS)					
	Basic and Diluted (Rs.)	0.66	(1.91)	3.26	(0.33)	(1.69)
12	Public Shareholding					
	- Number of Shares	164362670	169203770	164362670	169203770	169203770
	- Percentage of Shareholding	64.33	68.18	64.33	68.18	68.18

Segment Wise Revenue, Results and Capital Employed

(Rs. Lacs)

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2008 Unaudited	30.06.2007 Unaudited	30.06.2008 Unaudited	30.06.2007 Unaudited	30.09.2007 Audited
1	Segment Revenue					
	a) Sugar	23606	30430	85694	96066	120674
	b) Distillery	5638	5344	14115	11981	14241
	c) Cogeneration	6116	5194	21147	15585	18845
	d) Others	42	21	137	175	184
		35402	40989	121093	123807	153944
	Less: Inter / Intra Segment Revenue	3716	4396	15307	13515	14247
	Net Sales / Income from Operations	31686	36593	105786	110292	139697
2	Segment Results - Profit / (Loss) before tax and interest					
	a) Sugar	961	(7441)	3021	(6147)	(10110)
	b) Distillery	2024	1599	5201	4036	5062
	c) Cogeneration	3114	2738	10493	7490	8718
	d) Others	(60)	(11)	(143)	(7)	(55)
	Total	6039	(3115)	18572	5372	3615
	Less: i. Interest	2490	2072	6132	4126	5442
	ii. Other un-allocable expenditure net of un-allocable income	930	403	1719	1407	1709
	Profit / (Loss) before tax	2619	(5590)	10721	(161)	(3536)
3	Capital Employed (Segment Assets-Segment Liabilities)					
	a) Sugar	208401	160566	208401	160566	148021
	b) Distillery	15968	16507	15968	16507	15432
	c) Cogeneration	62461	58775	62461	58775	59990
	d) Others	1319	1352	1319	1352	1397
	e) Unallocated	(15786)	(7210)	(15786)	(7210)	(9808)
	Total	272363	229990	272363	229990	215032

Notes :

- The Company has allotted 10,850 equity shares of Re.1 /each on 10th June, 2008, at a price Rs.74.60 per share (Including a premium of Rs.73.60 per share) to the employees under the Employees Stock Option Scheme.
- The U P Sugar Mills Association (UPSMA) of which the Company is a member has filed Special Leave Petition (SLP) in the Hon'ble Supreme Court of India against the final Order dated 7th July, 2008 of the Lucknow Bench of the Hon'ble Allahabad High Court. The said final Order upheld the State Advised Price (SAP) of Rs. 125/- per quintal for Sugar Cane for the Season 07-08. Earlier, Lucknow Bench of the Hon'ble Allahabad High Court in the Interim Order dt.15th November,2007 read with Order dt. 21st January, 2008 directed the Sugar Mills in Uttar Pradesh to pay Cane Price @ Rs.110/-per quintal and accordingly Cane purchases have been accounted for at this rate.
If the results were computed based on Cane price of Rs.125/- per quintal, the profit after tax for nine months ended June, 2008 would have been lower by Rs. 3237 lacs. Necessary adjustment on account of changes in Cane price, if required, will be made after the Order of Hon'ble Supreme Court.
- Sugar being a seasonal Industry, the performance of any quarter may not be representative of the annual performance of the Company.
- The statutory auditors have carried out a " Limited Review" of the results for the quarter ended 30th June, 2008.
- The above Financial Results were reviewed by the Audit Committee and were taken on record by the Board of Directors at its meeting held on 31st July, 2008 at Kolkata.
- During the quarter ended 30th June, 2008, Twenty Two (22) Investor complaints were received which were promptly attended to by the Company. No complaints were pending either at the beginning or at the end of the quarter.
- Previous quarter's / year's figures have been regrouped/ rearranged wherever considered necessary.

For and on behalf of the Board of Directors of

Balrampur Chini Mills Limited

sd/-

Kolkata
31st July, 2008

Vivek Saraogi
Managing Director

BALRAMPUR CHINI MILLS LTD.

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