



Balrampur Chini Mills Limited

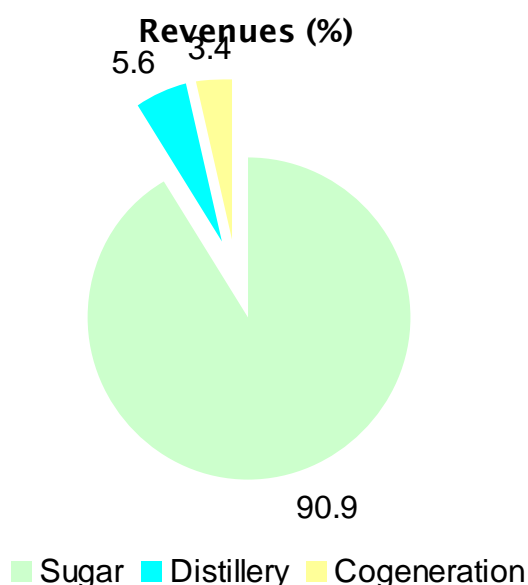
Q2 FY2012

Net Revenues at ₹ 5,070.2 million

Operating profits at ₹ 191.5 million

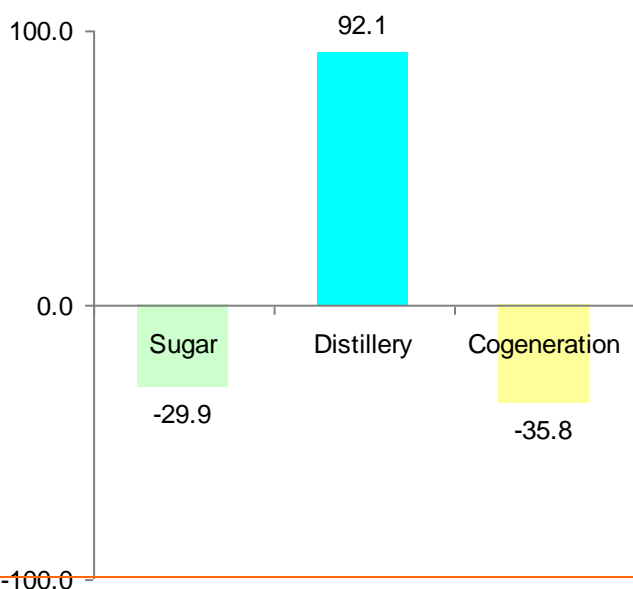
Kolkata, November 14, 2011: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, today announced its results for the second quarter and half year ended 30 September 2011.

Financial breakup Q2 FY2012



- In Q2 FY2012, Sugar segment reported revenues at ₹ 4700.7 million, accounting for 90.9% of total revenues
- Cogen segment revenues at ₹ 175.5 million, contributed 3.4% of total revenues
- Distillery segment revenues at ₹ 290.1 million, constituted 5.6% of total revenues

PBIT (₹ million)



- PBIT from Distillery business stood at ₹ 92.1 million
- Going forward, allied businesses are likely to report improved contribution to PBIT



Company Highlights

- The Company anticipates a growth in sugar volumes for the sugar season 2011-12 on account of enhanced sugarcane availability
 - Crushing target for the season 2011-12 is expected to be higher at 7.8 crore quintal as compared to 6.8 crore quintal reported in the sugar season 2010-11
 - Recoveries expected to be marginally better for the coming sugar season
- Owing to enhanced volumes, allied businesses will witness higher utilization levels thereby improving contribution to the Company's overall performance
- Strong performance registered by the distillery segment during the period under review owing to higher volumes and better realizations
 - Witnessing firm prices in Rectified Spirit and Extra Neutral Alcohol (ENA); realizations expected to remain firm going forward
 - In addition, anticipate higher prices from Ethanol sales in the coming quarters
- BCML continues to prudently manage its debt thus maintaining a healthy Balance Sheet
 - As on 30th September 2011, Company's Long Term Debt stood at ₹ 629.4 crore as compared to ₹ 827.8 crore as on 30th September 2010



Sector update

- India's sugar production for the coming year is estimated to be 26 million tonnes as against 24.3 million tonnes in the previous year
 - Consumption anticipated to be around 22.5 million tonnes
 - Government of India is proactively evaluating sugar exports in tranches which should lead to an improved demand-supply situation and ease price pressure on the domestic front

- Brazil, a leading producer and exporter of sugar, reported a decline in sugar production owing to adverse climatic conditions

- World sugar prices are expected to remain stable going forward. At these prices India should be able to export

- For the coming crushing season, Uttar Pradesh (U.P.) government declared a State Advised Price (SAP) of ₹ 240 per quintal of sugarcane
 - To adversely impact performance of U.P. based millers at current sugar realization levels



Commenting on the performance for Q2 & H1 FY2012, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

“The Company’s performance during the quarter is a combined outcome of the ever-evolving dynamics of the sugar sector and BCML’s integrated business model. During the quarter, overall revenues remained stable owing to steady performance reported by sugar segment and enhanced volumes delivered by the distillery segment.

As we enter into 2011-12 sugar season, we anticipate the price pressure to ease on the domestic front due to export potential thereby facilitating improved performance by the sector as a whole. Exports gain significance in the current operating scenario when the SAP for cane has increased making it un-remunerative for sugar mills to convert cane to sugar at the current realizations.

On the back of expanded sugar volumes, we expect allied businesses to improve profitability in the coming quarters and provide stability to overall performance. We are optimistic that the ensuing sugar season holds promise and our solid business model and well-defined growth strategies will further help us capitalize on the opportunities ahead.”

Q2 FY2012 performance overview (Compared with Q4 FY2011)

- Net revenues stable at ₹ 5,070.2 million from ₹ 5,127.6 million
- PBIDT at ₹ 191.5 million as against as compared to ₹ (252.0) million
- PAT came in at ₹ (394.4) million as compared ₹ (783.4) million
- EPS stood at ₹ (1.61) versus ₹ (3.02)



H1 FY2012 performance overview

- Net revenues stood at ₹ 10,788.2 million
- PBIDT at ₹ 652.9 million
- PAT came in at ₹ (593.0) million
- EPS stood at ₹ (2.40)

Q2 FY2012 Operating overview (Compared with Q4 FY2011)

- In the sugar segment, the Company sold 15.92 lakh quintals during the quarter as compared to 15.50 lakh quintals in the corresponding quarter last year
 - For the quarter, free sugar realizations remained stable at ₹ 28.19 per kg as compared to ₹ 27.12 per kg in Q4 FY2011
- Distillery division produced 5,332 KL during the quarter as compared to 8,093 KL in Q4 FY2011. In Q2 FY2012, Distillery division sales at 10,178 KL were higher by ~20% as against 8,520 KL during the corresponding quarter in the previous year
 - Blended realizations were higher by ~16% at ₹ 27.9 per BL in Q2 FY2012 versus ₹ 24.2 per BL in Q4 FY2011
- During the quarter, the Co-generation segment reported negligible production

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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 organic manure. The Company presently has ten sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 76,500 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 Q4 FY2011 figures)

(All rupee figures in ₹ million unless stated otherwise)

Financial overview

| Particulars | Net revenues | PBIDT |
|----------------|--------------|---------|
| Q2 FY2012 | 5,070.2 | 196.4 |
| Q4 FY2011 | 5,127.6 | (248.3) |
| <i>% Shift</i> | (1.1) | 146.9 |
| H1 FY2012 | 10,788.2 | 652.9 |

| Sugar segment | Revenues | % Contribution to revenues |
|----------------|----------|----------------------------|
| Q2FY2012 | 4700.7 | 90.9 |
| Q4FY2011 | 4,697.9 | 88.0 |
| <i>% Shift</i> | 0.1 | - |
| H1FY2012 | 9,406.9 | 84.8 |



| Distillery segment | Revenues | % Contribution to revenues |
|---------------------------|-----------------|-----------------------------------|
| Q2FY2012 | 290.1 | 5.6 |
| Q4FY2011 | 207.7 | 3.9 |
| <i>% Shift</i> | <i>39.7</i> | <i>-</i> |
| H1FY2012 | 787.9 | 7.1 |

Distillery segment revenues reported an increase in revenues in the current quarter as compared to Q4 FY2011 as a result of higher volumes and better realizations.

| Cogeneration segment | Revenues | % Contribution to revenues |
|-----------------------------|-----------------|-----------------------------------|
| Q2FY2012 | 175.5 | 3.4 |
| Q4FY2011 | 429.4 | 8.0 |
| <i>% Shift</i> | <i>(59.1)</i> | <i>-</i> |
| H1FY2012 | 893.1 | 8.1 |

Cogeneration segment performance remained subdued during the quarter as the Company had registered revenues from coal based power plant in the corresponding quarter last year. High raw material prices deterred the Company from operating the coal based units.



PBIT

| Sugar segment | PBIT | % Contribution to PBIT |
|----------------|---------|------------------------|
| Q2FY2012 | (29.9) | - |
| Q4FY2011 | (539.6) | - |
| <i>% Shift</i> | - | - |
| H1FY2012 | (202.5) | - |

Q2 FY2012 is a non-production quarter for the sugar segment and hence it registered a loss on account of naked expenditure incurred during this period. In addition, sugar realisations remained subdued. However, the Company was able to reduce operating losses on account of ₹ 18.85 crore profits booked from sale of exports entitlement.

| Distillery segment | PBIT | % Contribution to PBIT |
|--------------------|-------|------------------------|
| Q2FY2012 | 92.1 | - |
| Q4FY2011 | 17.8 | - |
| <i>% Shift</i> | 417.4 | - |
| H1FY2012 | 251.8 | - |

Higher volumes and improved realisations helped the Company to report better performance during the quarter from this segment.



| Cogeneration segment | PBIT | % Contribution to PBIT |
|----------------------|--------|------------------------|
| Q2FY2012 | (35.8) | - |
| Q4FY2011 | 4.2 | - |
| % Shift | - | - |
| H1FY2012 | 216.2 | - |

Cogeneration facility witnessed lower utilization levels due to unavailability of bagasse during the off-season.

The Company anticipates improvement in profits in the coming season owing to higher bagasse availability which should lead to enhanced capacity utilisation.

Earnings Overview

| Particulars | PBT | PAT | Post Tax Cash Profits |
|-------------|---------|---------|-----------------------|
| Q2FY2012 | (394.4) | (394.4) | (118.7) |
| Q4FY2011 | (770.8) | (783.4) | (491.4) |
| % Shift | - | - | - |
| H1FY2012 | (593.0) | (593.0) | (41.6) |

Interest costs during the quarter stood at ₹ 315.1 million as compared to ₹ 230.5 million in Q4 FY2011. This increase was primarily on account of a high interest rate scenario as well as on account of higher working capital requirements. As on 30 September 2011, BCML's long-term loan stood at ₹ 629.4 crores and working capital was at ₹ 517.3 million.



Operational overview

Sugar production (Lakh quintals)

| Particulars | SS 2010-11 | SS 2009-10 |
|--------------------|------------|------------|
| Sugar cane crushed | 694.60 | 538.58 |
| Production | 65.30 | 50.34 |
| Recovery (%) | 9.40 | 9.35 |

Distillery operations (KL)

| Particulars | Q2 FY2012 | Q4 FY2011 |
|-------------|-----------|-----------|
| Production | 5,331.5 | 8,093.4 |
| % Shift | (34.1) | |

Cogeneration operations (Lakh units)

| Particulars | Q2FY2011 | Q4 FY2011 |
|--------------------------|----------|-----------|
| Power production | 364.4 | 614.3 |
| % Shift | (40.7) | |
| Power sales from Bagasse | 255.0 | 4.28 |
| % Shift | - | |
| Power sales from Coal | 55.9 | 509.8 |
| % Shift | (89.0) | |

- ENDS -

S.T.R.E.T.C.H

Unaudited Financial Results

for the Quarter ended 30th September, 2011

(' ₹ In Lacs)

| Sl. No. | Particulars | 3 Months ended | | Year to date | | 18 Months |
|---------|--------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|---------------------------------------|
| | | Current year 30.09.2011 Unaudited | Previous year 30.09.2010 Unaudited | Current year 30.09.2011 Unaudited | Previous year 30.09.2010 Unaudited | Period Ended 31.03.2011 Audited |
| 1 | a) Net Sales/Income from Operations | 50275 | 50828 | 106972 | 104710 | 297239 |
| | b) Other Operating Income | 427 | 448 | 910 | 598 | 1506 |
| | Total Income (a+b) | 50702 | 51276 | 107882 | 105308 | 298745 |
| 2 | Expenditure | | | | | |
| | a) (Increase)/Decrease in Stock in trade and Work- in- Process | 42334 | 33594 | 86851 | 65717 | (116699) |
| | b) Consumption of Raw Materials | 479 | 15094 | 3352 | 25803 | 319999 |
| | c) Employees Cost | 2488 | 2245 | 4772 | 4348 | 15858 |
| | d) Depreciation & Amortisation | 2757 | 2920 | 5514 | 5722 | 16811 |
| | e) Other Expenditure | 3486 | 2863 | 6561 | 5548 | 26839 |
| | Total Expenditure | 51544 | 56716 | 107050 | 107138 | 262808 |
| 3 | Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2) | (842) | (5440) | 832 | (1830) | 35937 |
| 4 | Other Income | 49 | 37 | 183 | 81 | 477 |
| 5 | Profit/(Loss) before Interest & Exceptional Items (3+4) | (793) | (5403) | 1015 | (1769) | 36414 |
| 6 | Interest | 3151 | 2305 | 6945 | 4783 | 13814 |
| 7 | Profit/(Loss) after Interest but before Exceptional Items (5-6) | (3944) | (7708) | (5930) | (6552) | 22600 |
| 8 | Exceptional Items | - | - | - | - | - |
| 9 | Profit/(Loss) from Ordinary Activities before Tax (7+8) | (3944) | (7708) | (5930) | (6552) | 22600 |
| 10 | Tax Expense | - | 126 | - | 169 | 6159 |
| 11 | Net Profit/(Loss) from Ordinary Activities after Tax (9-10) | (3944) | (7834) | (5930) | (6721) | 16441 |
| 12 | Extraordinary Items (Net of tax expense) | - | - | - | - | - |
| 13 | Net Profit/(Loss) (11-12) | (3944) | (7834) | (5930) | (6721) | 16441 |
| 14 | Paid up Equity Share Capital (Face value of ₹ 1/- each) | 2443 | 2596 | 2443 | 2596 | 2563 |
| 15 | Reserves excluding Revaluation Reserve as per last Balance Sheet | - | - | - | - | 126354 |
| 16 | Basic EPS (₹) (before & after Extraordinary Items) | (1.61) | (3.02) | (2.40) | (2.59) | 6.35 |
| 17 | Diluted EPS (₹) (before & after Extraordinary Items) | (1.61) | (3.02) | (2.40) | (2.59) | 6.35 |
| 18 | Public Shareholding | | | | | |
| | - Number of Shares | 146314033 | 161630768 | 146314033 | 161630768 | 158275021 |
| | - Percentage of Shareholding | 59.89 | 62.25 | 59.89 | 62.25 | 61.76 |
| 19 | Promoters and Promoter Group Shareholding | | | | | |
| | a) Pledged/ Encumbered | | | | | |
| | - Number of Shares | - | - | - | - | - |
| | - Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group) | - | - | - | - | - |
| | - Percentage of Shares (as a % of the Share Capital of the Company) | - | - | - | - | - |
| | b) Non - Encumbered | | | | | |
| | - Number of Shares | 97998890 | 97998890 | 97998890 | 97998890 | 97998890 |
| | - Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group) | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| | - Percentage of Shares (as a % of the Share Capital of the Company) | 40.11 | 37.75 | 40.11 | 37.75 | 38.24 |

Segment Wise Revenue, Results and Capital Employed

(' ₹ In Lacs)

| Sl. No. | Particulars | 3 Months ended | | Year to date | | 18 Months |
|---------|----------------------------------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|---------------------------------------|
| | | Current year 30.09.2011 Unaudited | Previous year 30.09.2010 Unaudited | Current year 30.09.2011 Unaudited | Previous year 30.09.2010 Unaudited | Period Ended 31.03.2011 Audited |
| 1 | Segment Revenue | | | | | |
| | a) Sugar | 47007 | 46979 | 94069 | 94982 | 268697 |
| | b) Distillery | 2901 | 2077 | 7879 | 5042 | 16008 |
| | c) Cogeneration | 1755 | 4294 | 8931 | 9510 | 43515 |
| | d) Others | 13 | 13 | 60 | 80 | 385 |
| | Total | 51676 | 53363 | 110939 | 109614 | 329605 |
| | Less: Inter Segment Revenue | 963 | 2434 | 3033 | 4542 | 30188 |
| | Net Segment Revenue | 50713 | 50929 | 107906 | 104972 | 298437 |
| 2 | Segment Results - Profit/(Loss) before Tax and Interest | | | | | |
| | a) Sugar | (299) | (5396) | (2025) | (3450) | 17435 |
| | b) Distillery | 921 | 178 | 2518 | 838 | 4466 |
| | c) Cogeneration | (358) | 42 | 2162 | 1899 | 18417 |
| | d) Others | (16) | (51) | (37) | (32) | (57) |
| | Total | 248 | (5227) | 2618 | (745) | 40261 |
| | Less/(Add) : i. Interest | 3151 | 2305 | 6945 | 4783 | 13814 |
| | ii. Other un-allocable expenditure net of Un-allocable income | 1041 | 176 | 1603 | 1024 | 3847 |
| | Profit/(Loss) before Tax | (3944) | (7708) | (5930) | (6552) | 22600 |
| 3 | Capital Employed (Segment Assets -Segment Liabilities) | | | | | |
| | a) Sugar | 168640 | 161963 | 168640 | 161963 | 253101 |
| | b) Distillery | 12424 | 13106 | 12424 | 13106 | 15813 |
| | c) Cogeneration | 49312 | 57488 | 49312 | 57488 | 58422 |
| | d) Others | 1140 | 1188 | 1140 | 1188 | 1193 |
| | e) Unallocable | (1517) | (3557) | (1517) | (3557) | 1076 |
| | Total | 229999 | 230188 | 229999 | 230188 | 329605 |

Notes :

- The Statutory Auditors have carried out a " Limited Review " of the Results for the quarter ended 30th September, 2011.
- The above Financial Results were reviewed by the Audit Committee and were taken on record by the Board of Directors at their meeting held on 14th November, 2011 at Kolkata.
- Sugar being a Seasonal Industry, the performance of the Company varies from quarter to quarter.
- During the quarter ended 30th September, 2011, 73 (Seventy Three) Investor complaints were received and redressed. No complaint was pending either at the beginning or at the end of the quarter.
- Figures for the corresponding previous period/year have been regrouped/ rearranged wherever considered necessary.

For and on behalf of the Board of Directors of
Balrampur Chini Mills Limited

sdf-

Vivek Saraogi
Managing DirectorKolkata
14th November, 2011

BALRAMPUR CHINI MILLS LTD.

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