



Balrampur Chini Mills Limited

9M FY2010

Revenues stood at ₹ 14,738.5 million

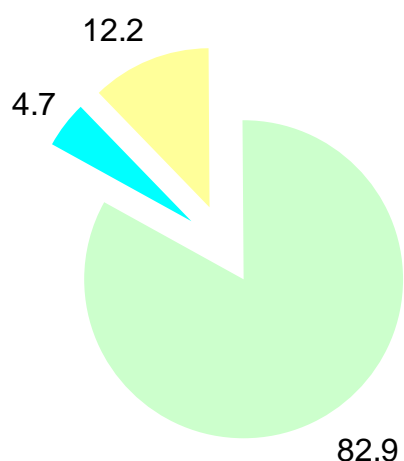
Operating profits at ₹ 2,744.2 million

PAT stands ₹ 1,066.0 million

Kolkata, July 24, 2010: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, announced its results for the third quarter and nine month ended 30 June 2010.

+ **Financial breakup (9M FY2010)**

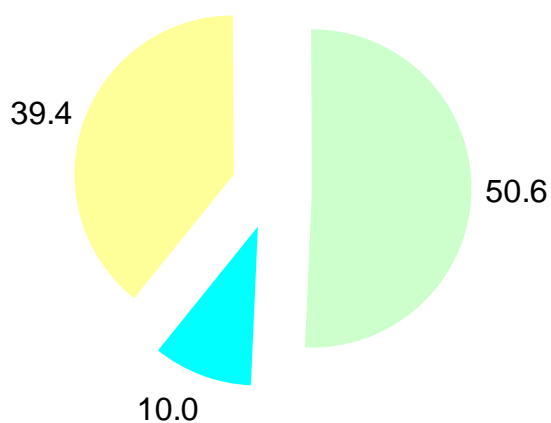
Revenues



■ Sugar ■ Distillery ■ Cogeneration

- Revenues from the sugar segment at ₹ 13,306.0 million contributing 82.9%
- Revenue from the distillery segment at ₹ 757.7 million contributing 4.7 % and from Cogen segment at ₹ 1,963.2 million contributing 12.2%

PBIT



■ Sugar ■ Distillery ■ Cogeneration

- PBIT from Sugar business stood at ₹ 1,079.3 million contributing 50.6%
- PBIT from Co-generation business stood at ₹. 839.3 million contributing 39.4%
- PBIT from Distillery business stood at ₹ 212.6 million contributing 10.0%



Company Highlights

- Modification of boilers at Haidergarh and Mankapur Cogen plants (20MW each) concluded during the quarter at a capex of ₹ 150 million
 - For making use of power generating facilities at above locations during off-season when bagasse is not available by using coal as an alternate fuel
- The Company has recently commissioned a 500 metric tonne refinery at Haidergarh at a capex of ₹ 60 million
 - This facility will be used to refine raw sugar during the off-season
- BCML's sugar production for the season stood at 50.34 lakh quintals as compared to 44.47 lakh quintals last year
 - This was on account of improved recoveries and higher cane crushed
 - Recoveries for the season stood at 9.35% as compared to 9.14% last season
- Current imports of raw sugar for BCML stands at 82,000 tonnes
 - Of the total imported raw sugar, 61,000 tonnes has already been processed upto June, 2010, balance is under process
 - Additional 30,000 tonnes of raw sugar has been contracted earlier, will arrive in August and will be refined in next few months



Sector update

- The current year's sugar production is around 19 million tonnes
- Sugar production for the season 2010-11 is estimated to be around 24 - 25 million tonnes – better clarity on estimates to be available closer to the start of sugar season
 - Higher production on account of increase in acreage across sugar growing states. An average acreage increase of 15% has been factored in the above estimates of production for 2010-11
 - Combined with further improvement in recoveries from current levels
- Global sugar production also set to improve in the current year



Commenting on the performance for Q3 & 9M FY2010, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

“During the current quarter the Company has delivered a stable performance in a difficult operating scenario. The sector continues to face strong headwinds with the sugar segment bearing high cane price paid during the season. Given the challenging scenario, the sugar industry is expecting structural policy changes in the sector going forward.

Higher sugar production is expected to put pressure on sugar realization next year however rationalization of input costs along with improved volumes and by-products should help this segment deliver steady performance going forward. Additionally, our integrated model will benefit from better utilization levels next year leading to higher profitability in the cogeneration and distillery segments.”

Q3 FY2010 performance overview (Compared with Q3 FY2009)

- Net revenues improves to ₹ 5,403.2 million from ₹ 5,380.7 million
- PBIDT stood at ₹ 641.2 million as compared to ₹ 1,300.0 million
- PAT stood at ₹ 111.3 million versus ₹ 662.9 million
- EPS stood at ₹ 0.43 versus ₹ 2.58

9M FY2010 performance overview (Compared with 9M FY2009)

- Net revenues improves to ₹ 14,738.5 million as compared to ₹ 13,246.2 million
- PBIDT stood at ₹ 2,744.2 million as compared to ₹ 3,768.9 million
- PAT stood at ₹ 1,066.0 million versus ₹. 1,837.8 million
- EPS stood at ₹ 4.13 versus ₹. 7.16



Q3 & 9M FY2010 Operating overview (Compared with Q3 & 9M FY2009)

- During the quarter, the Company produced 3.78 lakh quintals out of processed raw sugar. In 9M FY2010 company produced 50.34 lakh quintals as compared to 44.17 lakh quintals in 9M FY2009 from cane sugar. Further in 9M FY2010 company produced 5.80 lakh quintals from processed raw sugar.
 - Sugar realizations stood at ₹ 28.02 per kg during Q3 FY2010 as against ₹ 23.06 per kg in Q3 FY2009.

- Distillery division produced 11,900 KL and 31,096 KL during the quarter and in 9M FY2010 as compared to 15,992 KL and 48,003 KL during the corresponding periods last year
 - Distillery realisations stood at ₹ 21.99 per BL during the quarter as compared to ₹ 25.97 per BL in Q3 FY2009
 - For 9M FY2010 realisations stood at ₹ 24.43 per BL as compared to ₹ 25.90 per BL during the corresponding period last year

- During the quarter, the Co-generation segment generated 1,091 lakh units versus 979 lakh units in Q3 FY2009. For 9M FY2010 generation was 4,651 lakh units as against 4,952 lakh units during the corresponding period last year
 - Average realization in this segment stood at ₹ 4.02 per unit and ₹ 3.96 per unit for Q3 FY2010 and 9M FY2010 respectively from bagasse based supply.
 - Average realization from sale of power generated through coal stood at ₹ 5.26 per unit. During the quarter the Company exported 127.47 lakh units to UPPCL and 78.07 lakh units through open access out of total generation of 221.81 lakh units from coal based supply

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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 bio-compost. The Company presently has ten sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 76,500 TCD, distillery and co-generation 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 FY2009 figures)

(All rupee figures in ₹ million unless stated otherwise)

Financial overview

Particulars	Net revenues	PBIDT
Q3 FY2010	5,403.2	641.2
Q3FY2009	5,380.7	1,300.0
<i>% Shift</i>	<i>0.4</i>	<i>(50.7)</i>
9M FY2010	14,738.5	2,744.2
9M FY2009	13,246.2	3,768.9
<i>% Shift</i>	<i>11.3</i>	<i>(27.2)</i>

Operating profits were lower due to high cane costs, subdued sugar prices and lower level of operations in distillery and cogen segment.



Sugar segment	Revenues	% Contribution to revenues
Q3 FY2010	4,800.3	85.3
Q3 FY2009	4,809.4	86.5
<i>% Shift</i>	<i>(0.2)</i>	-
9M FY2010	13,306.0	82.9
9M FY2009	11,539.4	80.3
<i>% Shift</i>	<i>15.3</i>	-

Sugar sales during the quarter and nine months stood at 16.53 lakh quintals and 41.19 lakh tonne respectively as compared to 20.25 lakh quintals and 52.85 quintals in Q3 FY2009 and 9M FY2009.

Average sugar realization for the current quarter stood at ₹ 28.01 per Kg compared to ₹. 23.06 per kg in Q3 FY2009. For 9M FY2010, sugar realisations were at ₹ 29.92 per Kg compared to ₹ 20.36 per Kg in the corresponding period last year.

Distillery segment	Revenues	% Contribution to revenues
Q3 FY2010	296.5	5.3
Q3 FY2009	317.3	5.7
<i>% Shift</i>	<i>(6.6)</i>	-
9M FY2010	757.7	4.7
9M FY2009	1,062.2	7.4
<i>% Shift</i>	<i>(28.7)</i>	-

Revenues from this segment during the quarter were lower account of lower sales realizations despite increased volumes.

Distillery sales were at 13,364 KL in Q3 FY2010 as compared to 12,067 KL in Q3 FY2009. For 9M FY210 sales stood at 30,748 KL as compared to 40,689 KL in the corresponding period last year.

Average realizations for the quarter under review stood at ₹ 21.99 per BL as compared to ₹ 25.97 per BL in Q3 FY2009. For 9M FY2010 realizations stood at ₹ 24.43 per BL as compared to ₹ 25.90 per BL in 9M FY2009.



Cogeneration segment	Revenues	% Contribution to revenues
Q3 FY2010	521.6	9.3
Q3 FY2009	427.8	7.7
% Shift	21.9	
9M FY2010	1,963.2	12.2
9M FY2009	1,742.8	12.1
% Shift	12.6	

Cogeneration segment delivered stable sales on account of steady volumes and improved realisations

Cogeneration sales stood at 919.8 lakh units in Q3 FY2010 compared to 848.2 lakh units in Q3 FY2009. In 9M FY2010, sales were at 3,279.5 lakh units as compared to 3,568.8 lakh units in 9M FY2009.

Average realizations from bagasse based supply for the quarter stood at ₹. 4.02 per unit as compared to ₹ 4.00 per unit in the corresponding quarter last year. During 9M FY2010 realizations from bagasse based supply stood at ₹ 3.96 per unit as compared to ₹ 3.40 per unit in 9M FY2009. Average realizations during Q3 FY2010 and 9M FY2010 from coal based supply stood at ₹ 5.26 per unit.

PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
Q3 FY2010	194.6	43.4
Q3 FY2009	677.7	67.6
% Shift	(71.3)	
9M FY2010	1,079.3	50.6
9M FY2009	1,907.5	59.5
% Shift	(43.4)	

PBIT from the sugar segment declined on account of a sharp increase in sugarcane costs.

However, higher realizations on comparative basis have not yielded desired results due to cost of production being higher than current realizations. In addition sale of levy sugar at a price substantially lower than the cost of production has also dented the profitability of the segment.



Distillery segment	PBIT	% Contribution to PBIT
Q3 FY2010	66.0	14.7
Q3 FY2009	121.3	12.1
<i>% Shift</i>	<i>(45.6)</i>	
9M FY2010	212.6	10.0
9M FY2009	421.1	13.1
<i>% Shift</i>	<i>(49.5)</i>	
This segment delivered a subdued performance on account of lower sales volumes and lower sales realisations.		

Cogeneration segment	PBIT	% Contribution to PBIT
Q3 FY2010	185.7	41.4
Q3 FY2009	207.7	20.7
<i>% Shift</i>	<i>(10.6)</i>	
9M FY2010	839.3	39.4
9M FY2009	883.2	27.5
<i>% Shift</i>	<i>(5.0)</i>	
The modification of boilers at Haidergarh and Mankapur facilities of 20MW each will help operate power plants during off-season.		



Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
Q3 FY2010	115.6	111.3	391.5
Q3 FY2009	798.7	662.9	929.8
<i>% Shift</i>	<i>(85.5)</i>	<i>(83.2)</i>	<i>(57.9)</i>
9M FY2010	1,261.3	1,066.0	1,903.3
9M FY2009	2,184.2	1,837.8	2,647.1
<i>% Shift</i>	<i>(42.2)</i>	<i>(42.0)</i>	<i>(28.1)</i>

Interest and depreciation costs during the quarter stood at ₹ 247.8 million and ₹. 280.2 million respectively.

The Company maintains a strong balance sheet and the long term debt to equity ratio stands at a 0.70. As on 30 June 2010, BCML's long-term loan stood at ₹ 8,944.15 million.

An increase in overall sugar production next year will help the Company to operate at optimal level thus bringing cost efficiencies and reducing cost of production per unit.



Operational overview

Sugar production (Lakh quintals)

Particulars	Q3FY2010	Q3FY2009	9MFY2010	9MFY2009
Sugar cane crushed	-	-	538.58	483.22
Production	-	-	50.34	44.17
Recovery (%)	-	-	9.35	9.14

Distillery operations (KL)

Particulars	Q3FY2010	Q3FY2009	9MFY2010	9MFY2009
Production	11,900.0	15,991.8	31,096.3	48,002.8
% Shift	(25.6)		(35.2)	

Cogeneration operations (Lakh units)

Particulars	Q3FY2010	Q3FY2009	9MFY2010	9MFY2009
Power production	1,091.4	979.4	4,651.2	4,952.2
% Shift	11.4	-	(6.1)	
Power sales from Bagasse	714.2	848.2	3,074.0	3,568.8
% Shift	(15.8)	-	(13.9)	-
Power sales from Coal	205.5	-	205.5	-
% Shift	-	-	-	-

Note: Figures for the 3M FY2009 and 9M FY2010 includes figures of sugar division of Indo Gulf Industries Limited which has been merged with Balrampur Chini Mills Limited

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

Unaudited Financial Results
for the quarter ended 30th June, 2010

(₹. In Lacs)

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2010 Unaudited	30.06.2009 Unaudited	30.06.2010 Unaudited	30.06.2009 Unaudited	30.09.2009 Audited
1	a) Net Sales/Income from Operations	53882	53734	146539	132114	170004
	b) Other Operating Income	150	73	846	348	454
	Total Income (a+b)	54032	53807	147385	132462	170458
2	Expenditure					
	a) (Increase)/Decrease in Stock in trade and Work- in- Process	32123	36339	(46323)	891	26328
	b) Consumption of Raw Materials	10709	1179	146728	76198	76338
	c) Employees Cost	2103	2275	7681	6709	9019
	d) Depreciation & Amortisation	2802	2669	8373	8093	10794
	e) Other Expenditure	2685	1014	11857	10975	13502
	Total Expenditure	50422	43476	128316	102866	135981
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	3610	10331	19069	29596	34477
4	Other Income	24	17	292	93	169
5	Profit before Interest & Exceptional Items (3+4)	3634	10348	19361	29689	34646
6	Interest	2478	2361	6748	7847	9685
7	Profit after Interest but before Exceptional Items (5-6)	1156	7987	12613	21842	24961
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	1156	7987	12613	21842	24961
10	Tax Expense	43	1358	1953	3464	2310
11	Net Profit from Ordinary Activities after Tax (9-10)	1113	6629	10660	18378	22651
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-
13	Net Profit (11-12)	1113	6629	10660	18378	22651
14	Paid up Equity Share Capital (Face value of ₹.1/- each)	2593	2555	2593	2555	2568
15	Reserves excluding Revaluation Reserve as per last Balance Sheet	-	-	-	-	114939
16	Basic EPS (₹.) (before & after Extraordinary Items)	0.43	2.59	4.13	7.19	8.86
17	Diluted EPS (₹.) (before & after Extraordinary Items)	0.43	2.58	4.13	7.16	8.84
18	Public Shareholding					
	- Number of Shares	161318570	161385420	161318570	161385420	162604170
	- Percentage of Shareholding	62.21	63.16	62.21	63.16	63.33
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	94150890	97998890	94150890	94150890
	- Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group)	100	100	100	100	100
	- Percentage of Shares (as a % of the Share Capital of the Company)	37.79	36.84	37.79	36.84	36.67

Segment Wise Revenue, Results and Capital Employed

(₹. In Lacs)

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2010 Unaudited	30.06.2009 Unaudited	30.06.2010 Unaudited	30.06.2009 Unaudited	30.09.2009 Audited
1	Segment Revenue					
	a) Sugar	48003	48094	133060	115394	150979
	b) Distillery	2965	3173	7577	10622	13121
	c) Cogeneration	5216	4278	19632	17428	18338
	d) Organic Manure	67	77	224	250	256
	Total	56251	55622	160493	143694	182694
	Less: Inter Segment Revenue	2208	1805	13085	11207	12197
	Net Segment Revenue	54043	53817	147408	132487	170497
2	Segment Results - Profit/(Loss) before Tax and Interest					
	a) Sugar	1946	6777	10793	19075	24949
	b) Distillery	660	1213	2126	4211	4992
	c) Cogeneration	1857	2077	8393	8832	8033
	d) Organic Manure	19	(47)	15	(32)	(77)
	Total	4482	10020	21327	32086	37897
	Less: i. Interest	2478	2361	6748	7847	9685
	ii. Other un-allocable expenditure net of Un-allocable income	848	(328)	1966	2397	3251
	iii. Un-allocable income	0	0	0	0	0
	Profit before Tax	1156	7987	12613	21842	24961
3	Capital Employed (Segment Assets-Segment Liabilities)					
	a) Sugar	193002	164954	193002	164954	146967
	b) Distillery	13710	15396	13710	15396	13836
	c) Cogeneration	56918	56779	56918	56779	54771
	d) Organic Manure	1227	1271	1227	1271	1294
	e) Unallocable	(6721)	(7696)	(6721)	(7696)	(2140)
	Total	258136	230704	258136	230704	214728

Notes :

1 The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 24.06.2010 has sanctioned the Rehabilitation Scheme containing the Scheme of Arrangement between the company and Indo Gulf Industries Ltd (IGIL) towards demerger of Sugar Division from IGIL and vesting thereof in the company with effect from 1st October, 2008. The aforesaid Scheme of Arrangement has become effective on filing the certified copy of the order with the Registrar of Companies, Delhi and Registrar of Companies, West Bengal on 21.07.2010.

In view of vesting of the Sugar Division of IGIL in the company, as aforesaid, figures for the current quarter ended 30th June, 2010 and cumulative figures for 9 months ended 30th June, 2010 include the operating results of and capital employed in the aforesaid Sugar Division of IGIL. However, the corresponding figures for the quarter ended 30th June, 2009, cumulative figures for 9 months ended 30th June, 2009 and the Audited figures for the year ended 30th September, 2009 do not include the operating results of and the capital employed in the aforesaid Sugar Division of IGIL and hence figures for the current periods are not comparable with those of the previous periods.

2 The Company has allotted 844550 Equity Shares of ₹.1/- each on 05.06.2010 at a price of ₹ .45/-per Share (including premium of ₹ . 44/- per Share) to the employees under the Employees Stock Option Scheme of the Company.

3 Sugar being a Seasonal Industry, the performance of the Company varies from quarter to quarter.

4 The Statutory Auditors have carried out a " Limited Review " of the Results for the quarter ended 30th June, 2010.

5 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 24th July, 2010 at Kolkata.

6 During the quarter ended 30th June, 2010, 54 (fifty four) Investor complaints were received and redressed. No complaints was pending either at the beginning or at the end of the quarter.

7 Figures for the corresponding previous period (s) have been regrouped/ rearranged wherever considered necessary.

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

Kolkata
24th July , 2010

Vivek Saraogi
Managing Director

BALRAMPUR CHINI MILLS LTD.

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