FMC Fortuna, 2nd Floor, 234/3A A J C Bose Road, Kolkata – 700020, West Bengal

Balrampur Chini Mills Limited

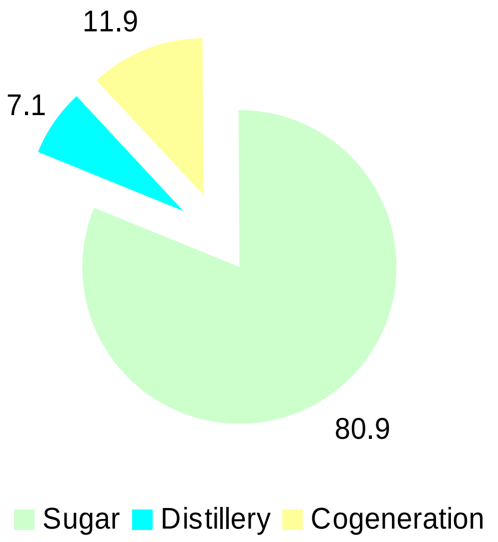
Q1 FY2009

Net Revenues at Rs. 4,295 million
Operating profits at Rs. 1,163 million, up 204%
PAT at Rs. 513 million

Kolkata, January 30, 2009: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, announced its results for the first quarter ended 31 December 2008.

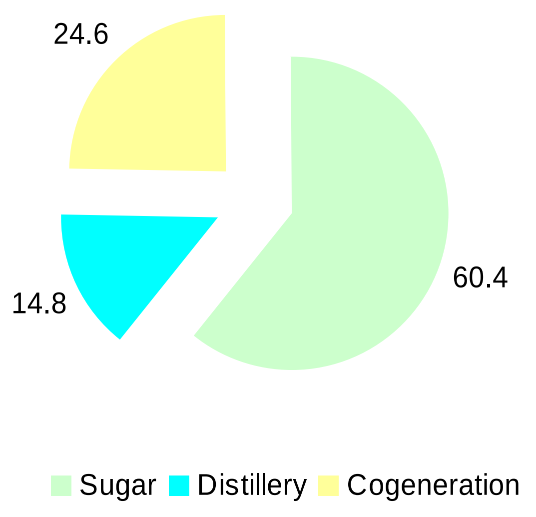
Financial breakup (Q1 FY2009)

Revenues (%)



- Sugar revenues stood at Rs. 3,791.5 million compared to Rs. 3,740.2 million in the corresponding quarter last year. This was on account of better realizations
- Allied Business also reported steady revenue performance, together contributing 19.0% to the top-line
- Overall, BCML delivered stable top line performance

PBIT (Rs. million)



- Sugar segment posted positive earnings at Rs. 605.3 million compared to Rs. (239.7) million in the corresponding period last year. This was primarily driven by inventory gains and healthy realizations witnessed during the quarter
- Allied businesses recorded healthy contribution to earnings. Distillery PBIT stood at Rs. 148.5 million, while Co generation contributed Rs. 245.9 million

Highlights

- In FY2009, the Company would focus on improving operational efficiencies
- Healthy contribution to earnings from sugar and allied businesses
    - Significant contribution to PBIT from the sugar business owing to healthy average realizations witnessed during the quarter at Rs. 17.7 per kg

Sector update

- India's sugar demand-supply gap widening over lower production estimates and steady consumption expected in 2008-09
    - Sugar consumption seen at around 22-23 million tonnes
    - Further fall in production expected – around 17 million tonnes forecasted (compared with 20 million tonnes forecast earlier) in the 2008-09 sugar season compared to 26 million tonnes production in the 2007-08 sugar season
- Government allowed import of raw sugar to bridge the gap in sugar production.
- World's largest sugarcane producer – Brazil is projected to record flat production in 2008-09; further sugar capacity additions is not expected on account of economic slowdown and ongoing liquidity crisis

Commenting on the performance for Q1 FY2009, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

"We are happy to announce a healthy quarter for BCML which was primarily driven by the sugar business and steady contribution from our allied businesses. The sugar segment is performing well owing to enhanced sugar prices.

The integrated business model adopted by us years back has enabled us to successfully weather cyclical sugar downturns, especially the previous one, which was one of the most severe ones experienced by the industry. We feel the worst is already behind us and are already witnessing an improvement in the overall sugar environment.

The key issue for the industry going ahead will be cane procurement; however, our excellent relationship with farmers has placed us in a better position to face this challenge. We expect to deliver stable revenues with improving profitability in the current up cycle."

Q1 FY2009 performance overview (Compared with Q1 FY2008)

- Net revenues at Rs. 4,294.5 million compared to Rs. 4,314.7 million
- Operating profits improves by 204.0% to Rs. 1,162.5 million from Rs. 382.4 million
- Net profits increases to Rs. 512.9 million from Rs. (0.6) million
- Cash Profit enhances 219.1% to Rs. 788.3 million versus 247.0 million

Q1 FY2009 Operating overview (Compared with Q1 FY2008)

- Sugar segment produced 16.89 lakh quintals in Q1 FY09 as compared to 16.91 lakh quintals in the previous quarter. The Company crushed 191.5 lakh quintals during the quarter as compared to 180.7 lakh quintals
  - Sugar recoveries stand at 8.82% in Q1 FY09 as compared to 9.36% in Q2FY08
  - Realizations came in higher at Rs. 17.7 per kg, an increase of 29.4% from Rs. 13.7 per kg in the corresponding quarter last sugar season
- Production at the distillery division stood at 12,346.2 KL, as compared to 18,835.7 KL in Q1 FY08.
- Co-generation division produced 1,686.3 lakh units in Q1 FY09 from 1,847.0 lakh units in Q1 FY08.

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 has nine sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 73,500 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. Over the years, BCML has grown its capacity through well-planned capacity expansion projects and acquisition of existing companies.

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

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Details to the announcement

Discussions and Financial Overview

(All comparisons with Q1 FY2008 figures)

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

Revenues

Particulars	Net income	PBIDT
Q1 FY2009	**4,294.5**	**1,162.5**
Q1 FY2008	4,314.7	382.4
% Shift	*(0.5)*	*204.0*

Revenues stood at Rs. 4,294.5 million for Q1FY2009 as compared to Rs. 4,314.7 million in Q1FY2008. This was due to better realisations. Distillery and power facilities also delivered healthy contributed to top-line.

Sugar segment	Gross Revenues	% Contribution to revenues
Q1 FY2009	**3,791.5**	**80.8**
Q1 FY2008	3,740.2	81.0
% Shift	*1.4*	-

Sugar production during the quarter was stable at 16.89 lakh quintals compared to 16.91 lakh quintals in the previous last quarter. The Company expects a notable decline in sugar production during the current year owing to lower yields and delayed crushing due to shortage of cane. However, segment will benefit from higher sugar realisations.

Distillery segment	Gross Revenues	% Contribution to revenues
Q1 FY2009	**331.5**	**7.1**
Q1 FY2008	314.1	6.8
% Shift	*5.5*	-

In Q1 FY09, the Company reported revenue growth in the distillery division primarily owing to robust realisations.

Distillery sales during the quarter were lower at 12,266 KL as compared to 17,625 KL in Q1 FY08. Ethanol sales were at 2,430 KL compared to 3,644 KL in the corresponding quarter last year.

Average realisations in the segment enhanced to Rs. 26,835.6 per KL in Q1FY09 as compared to Rs. 17,630.4 per KL in Q1FY08 owing to strong realisations witnessed in RS and ENA products.

Cogeneration segment	Gross Revenues	% Contribution to revenues
Q1 FY2009	**556.6**	11.9
Q1 FY2008	556.5	12.1
% Shift	*0.0*	-

Cogeneration revenues are likely to be subdued during the year owing to lower bagasse availability in the current sugar season given the decline in sugar production.

PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
Q1 FY2009	**605.3**	60.4
Q1 FY2008	**(239.7)**	-
% Shift	-	-

Strong PBIT performance from the sugar segment was on account of better realizations during the quarter. The Company's opening inventory of sugar was valued at Rs. 14.05 per kg compared to sugar sold at higher levels during Q1 FY09. The average realisations for the quarter were at Rs. 17.7 per kg as compared to Rs. 13.7 per quintal in Q1 FY2008.

Distillery segment	PBIT	% Contribution to PBIT
Q1 FY2009	**148.5**	**14.8**
Q1 FY2008	147.1	-
% Shift	*1.0*	-

PBIT income was at Rs. 148.5 million in the current quarter as compared Rs. 147.1 million in the corresponding quarter. Owing to lower cane production the Company expects pressure on availability of molasses. Strong realisations witnessed should assist the Company post steady earnings.

Cogeneration segment	PBIT	% Contribution to PBIT
Q1 FY2009	**245.9**	**24.5**
Q1 FY2008	247.4	-
% Shift	*(0.6)*	-

Cogeneration PBIT stood at Rs. 245.9 million for the quarter. Although top-line is expected to be lower due to lower bagasse availability during the year, the business is expected to deliver healthy earnings.

Average realization per unit of power sold to state power grid was around Rs. 3.05 per unit.

Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
Q1 FY2009	**637.8**	**512.9**	**788.3**
Q1 FY2008	1.3	(0.6)	247.0
% Shift	-	-	-
BCML continues to maintain a strong balance sheet and the debt to equity ratio stands at a respectable 1.00. As on 31 December 2008, BCML's long-term loan stood at Rs 10,234.5 million and working capital at Rs. 2244.9 million.			

Operational overview

Sugar production (Lakh quintals)

Particulars	Q1 FY2009	Q1 FY2008	Season 2007 – 08
Production	**16.89**	16.91	81.86
Average recoveries (%)	**8.82**	9.36	10.16

Sugarcane crushed during the quarter increased 6.0%, to 191.54 lakh quintals compared to 180.69 lakh quintals in the corresponding period last year.

Distillery operations (KL)

Particulars	Q1FY2009	Q1FY2008
Distillery production	**12,346.2**	18,835.7
% Shift	*(34.5)*	-

Distillery production came at 12,346.6 KL during the quarter from the 18,835.7 KL produced in previous corresponding quarter. The Company's total capacity stands at 320 KLPD.

Cogeneration operations (Lakh units)

Particulars	Q1FY2009	Q1FY2008
Power production	**1,686.3**	1,847.0
% Shift	*(8.7)*	-
Power sales to UPPCL	**1,186.5**	1,329.1
% Shift	*(10.7)*	-

The Company sold 1,186.5 million units to the state grids during the quarter. The total units generated by the company amounted to 1,686.3 million units. Average realization per unit of power sold to state power grid was around Rs. 3.05 per unit.

– ENDS –

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

Unaudited Financial Results

for the quarter ended 31st December, 2008

(Rs. Lacs)

Sl. No.	Particulars	Quarter Ended 31.12.2008 Unaudited	Quarter Ended 31.12.2007 Unaudited	Year Ended 30.09.2008 Audited
1	a) Net Sales/Income from Operations	42874	42746	146354
	b) Other Operating Income	71	401	1202
	Total Income (a+b)	**42945**	**43147**	**147556**
2	Expenditure			
	a) (Increase)/Decrease in Stock in trade and Work- in- Process	(4191)	10806	(12366)
	b) Consumption of Raw Materials	29109	22671	101416
	c) Employees Cost	2040	1869	8197
	d) Depreciation & Amortisation	2754	2476	11721
	e) Other Expenditure	4415	4080	17570
	Total Expenditure	**34127**	**41902**	**126538**
3	**Profit from Operations before Other Income, Interest & Exceptional Items (1-2)**	**8818**	**1245**	**21018**
4	Other Income	53	103	211
5	**Profit before Interest & Exceptional Items (3+4)**	**8871**	**1348**	**21229**
6	Interest	2493	1335	8965
7	**Profit after Interest but before Exceptional Items (5-6)**	**6378**	**13**	**12264**
8	Exceptional Items	-	-	-
9	**Profit from Ordinary Activities before Tax (7+8)**	**6378**	**13**	**12264**
10	Tax Expense	1249	19	2561
11	**Net Profit/(Loss) from Ordinary Activities after Tax (9-10)**	**5129**	**(6)**	**9703**
12	Extraordinary Items (Net of tax expense)	-	-	-
13	**Net Profit/(Loss) after Extraordinary Items (11-12)**	**5129**	**(6)**	**9703**
14	Paid up Equity Share Capital (Face value of Re.1/- each)	2555	2482	2555
15	**Reserves excluding Revaluation Reserve as per last Balance Sheet**	-	-	98935
16	**Basic EPS (Rs.) (before & after Extraordinary Items)**	**2.01**	**(0.002)**	**3.83**
17	**Diluted EPS (Rs.) (before & after Extraordinary Items)**	**2.01**	**(0.002)**	**3.82**
18	**Public Shareholding**			
	- Number of Shares	161385420	164303770	164385420
	- Percentage of Shareholding	63.16	66.21	64.33

Segment Wise Revenue, Results and Capital Employed

Sl. No.	Particulars	Quarter Ended 31.12.2008 Unaudited	Quarter Ended 31.12.2007 Unaudited	Year Ended 30.09.2008 Audited
1	**Segment Revenue**			
	a) Sugar	37915	37402	123064
	b) Distillery	3315	3141	16840
	c) Cogeneration	5566	5565	23846
	d) Organic Manure	86	52	152
		46882	**46160**	**163902**
	Less: Inter Segment Revenue	3928	3197	16485
	Net Sales / Income from Operations	**42954**	**42963**	**147417**
2	**Segment Results - Profit /(Loss) before Tax and Interest**			
	a) Sugar	6053	(2397)	6531
	b) Distillery	1485	1471	6511
	c) Cogeneration	2459	2474	10779
	d) Organic Manure	20	(16)	(197)
	Total	**10017**	**1532**	**23624**
	Less: i. Interest	2493	1335	8965
	ii.Other un-allocable expenditure	1190	471	2745
	iii. Un-allocable income	(44)	(287)	(350)
	Profit before Tax	**6378**	**13**	**12264**
3	**Capital Employed (Segment Assets-Segment Liabilities)**			
	a) Sugar	167469	139623	173406
	b) Distillery	15672	15593	14906
	c) Cogeneration	60006	63279	58657
	d) Organic Manure	1312	1338	1286
	e) Unallocable	(12108)	(7521)	(10759)
	Total	**232351**	**212312**	**237496**

Notes :

1 The Company has accounted for Cane Price for the Sugar Season 07-08 @ Rs.110/- per quintal in accordance with the interim order dt. 8th September, 2008 of the Hon'ble Supreme Court of India.
For the Season 08-09 the Cane Price have been accounted for at the State Advised Price (SAP) of Rs.140/- per quintal.

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

3 The Statutory Auditors have carried out a " Limited Review" of the Results for the quarter ended 31st December, 2008.

4 The above Financial Results were reviewed by Audit Committee and were taken on record by the Board of Directors at its meeting held on 30th January, 2009 at Kolkata.

5 During the quarter ended 31st December, 2008, thirteen (13) Investor complaints were received and redressed. No complaints were pending either at the beginning or at the end of the quarter.

6 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/-
Vivek Saraogi
Managing Director

Kolkata
30th January, 2009

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