



Balrampur Chini Mills Limited

9M FY2009

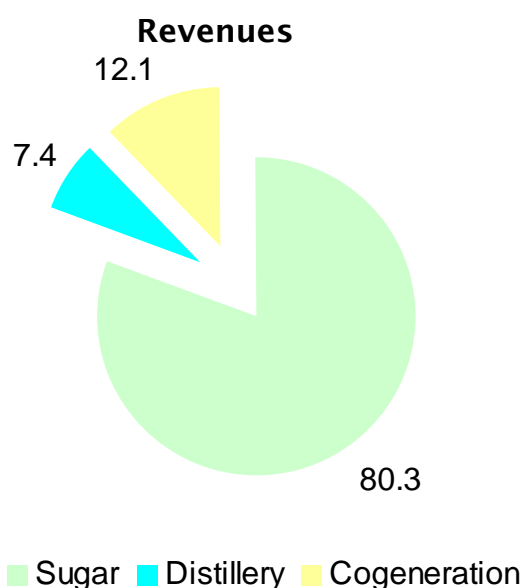
Revenues at Rs. 13,246.2 million

Operating profits at Rs. 3,768.9 million an 47.7% increase

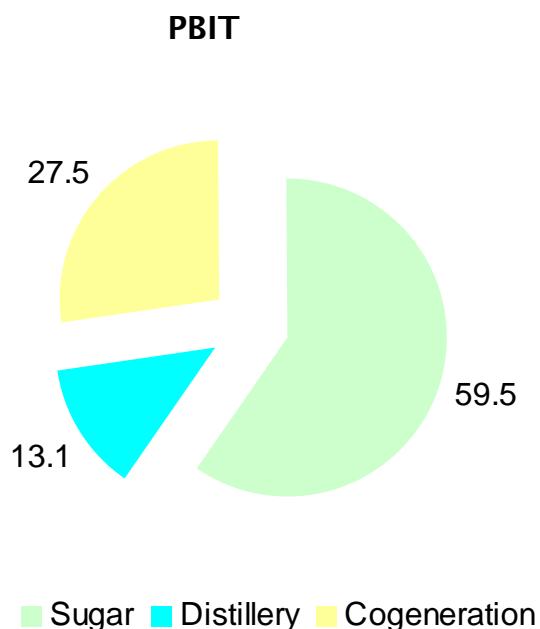
PAT increases 122.9% to Rs. 1,837.8 million

Kolkata, July 27, 2009: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, announced its results for the third quarter ended 30 June 2009.

+ **Financial breakup (9M FY2009)**



- Revenues from the sugar segment at Rs. 11539.4 million making it the largest contributor with 80.3%
- Revenue from the distillery segment at Rs. 1062.2 million contributing 7.4% whereas from Cogen segment at Rs. 1742.8 million contributing 12.1%



- PBIT from sugar business contributed Rs. 1,907.5 million on the back of higher realizations
- PBIT from Co-generation business contributed Rs. 883.2 million
- PBIT from Distillery business contributed Rs. 421.1 million



Sector update

- Sugar production for the coming season is estimated to be lower than demand, and a greater clarity of its extent will be available closer to commencement of crushing
 - In current scenario, yield per hectare likely to remain subdued in Uttar Pradesh due to below normal rainfall to date while recoveries may improve
 - Poor plantation last year translating into lower ratoon crop; Lower than expected shift by farmers from other crops to sugarcane also seen impacting production
- Sugar prices likely to remain firm
 - Deficit in India and strong international prices will drive domestic prices
- Global sugar deficit set to increase on the back of declining output in India, the world's top consumer of sugar
 - Other major sugar exporting countries also facing lower sugar production
 - Imports from India to drive international prices



Company Highlights

- The Company has contracted 85,000 tonnes of raw sugar at USD 380 CIF
 - This will be processed in the coming sugar season; to decide on further imports depending on Government policies and international sugar prices
- Co-generation division witnessed realization of Rs. 4 per unit during the quarter
 - Leading to healthy performance from the segment although sales were lower due to lower bagasse availability
- ICRA recently revised BCML's debt rating upwards for its short-term loans
 - Revised ratings to positively benefit BCML – should lead to lower interest costs going forward



Commenting on the performance for Q3 & 9M FY2009, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

"I am glad to report an encouraging set of numbers in a scenario where sugarcane crushing volumes have been lower while sugar prices have remained firm. Our integrated model as always continues to benefit us through all cycles enabling us to deliver better operating results.

Once again, in the current year the country is likely to see its second consecutive sugar deficit year while the consumption level continues to grow at a steady rate year-on-year. The deficit situation has made India a significant importer of sugar, which has put tremendous pressure on global as well as domestic sugar prices.

It continues to be our focus to petition to the government to have a fair cane pricing formula that benefits both the farmers and allows sugar companies to earn reasonable return on investment. We believe that an environment that delivers fair pricing sugar to the consumer and earn a fair economic rate of return for the farmer and the mill owners will be the sustainable way forward"

Q3 FY2009 performance overview (Compared with Q3 FY2008)

- Net revenues stood at Rs 5,380.7 million from Rs 3,164.9 million
- PBIDT came in at Rs 1,300.0 million as compared to Rs 837.0 million
- PAT enhances to Rs 662.9 million from Rs 168.5 million, up 293.4%
- EPS increases to Rs 2.59 from Rs 0.66

9M FY2009 performance overview (Compared with 9M FY2008)

- Net revenues at Rs 13,246.2 million as compared to Rs 10,588.1 million
- PBIDT improves to Rs 3,768.9 million from Rs 2,551.2 million
- PAT gains 122.9% to Rs 1,837.8 million from Rs. 824.5 million
- EPS stood at Rs 7.19 from Rs. 3.26



Q3 & 9M FY2009 Operating overview (Compared with Q3 & 9M FY2008)

- There was no sugar production in Q3 FY2009 as compared to 8.07 lakh quintals in Q3 FY2008. During the 9M FY2009 company produced 44.17 lakh quintals as compared to 81.86 lakh quintals during the corresponding period last year
 - Sugar realizations stood at Rs. 23.06 per kg during the quarter, an increase of 58.7% from Rs. 14.53 per kg in Q3 FY2008. During 9M FY2009 the realizations stood at Rs. 20.36 per kg as compared to Rs. 14.20 per kg during the corresponding period last year
- Distillery division produced 15,991.8 KL during the quarter and in 9M FY2009 the Company produced 48,002.8 KL as compared to 23,806.0 KL and 70,409.8 KL during the corresponding 3M & 9M FY2008
 - Distillery realizations stood at Rs. 25.97 per BL during the quarter, an increase of 27.9% from Rs. 20.30 per BL in Q3 FY2008. During 9M FY2009 the realizations stood at Rs. 25.90 per BL as compared to Rs. 18.70 per BL during the corresponding period last year
- Co-generation division produced 979.0 lakh units in Q3 FY2009 and as compared to 1,990.5 lakh units in Q3 FY2008. During 9M FY2009 production was 4,948.7 lakh units as compared to 7,197.8 lakh units during the corresponding period last year
 - Average realization of cogeneration segment for the 9M FY2009 increased to Rs. 3.40 per unit as compared to Rs. 3.02 per unit during the corresponding period last year. For Q3 FY2009 realizations stood at Rs. 4.00 per unit as compared to Rs. 3.05 during Q3 FY2008

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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 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 FY2008 figures)

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

Financial overview

Particulars	Net income	PBIDT
Q3 FY2009	5,380.7	1,300.0
Q3FY2008	3,164.9	837.0
<i>% Shift</i>	<i>70.0</i>	<i>55.3</i>
9M FY2009	13,246.2	3,768.9
9M FY2008	10,588.1	2,551.2
<i>% Shift</i>	<i>25.1</i>	<i>47.7</i>

Revenues during the 9M period under review came in at Rs. 13,246.2 million because of strong performance delivered by the sugar segment on the back of healthy realizations

Operating profits grew 47.7% during the same period primarily on account of higher sugar realization, which increased by 43.4%



Sugar segment	Revenues	% Contribution to revenues
Q3 FY2009	4,809.4	86.5
Q3 FY2008	2,363.3	67.8
<i>% Shift</i>	<i>103.5</i>	-
9M FY2009	11,539.4	80.3
9M FY2008	8,569.7	71.6
<i>% Shift</i>	<i>34.7</i>	-

Revenues in the sugar segment were higher owing to enhanced sugar realisations

Sales during the Q3 & 9M FY2009 stood at 2.03 lakh tonne and 5.29 lakh tonne respectively as against 1.41 lakh tonne and 5.35 lakh tonne in the corresponding period last year.

Distillery segment	Revenues	% Contribution to revenues
Q3 FY2009	317.3	5.7
Q3 FY2008	506.7	14.5
<i>% Shift</i>	<i>(37.4)</i>	
9M FY2009	1,062.2	7.4
9M FY2008	1,270.9	10.6
<i>% Shift</i>	<i>(16.4)</i>	

Distillery segment delivered lower sales on account of lower volumes witnessed across the products due to lower availability of molasses

Distillery sales were lower at 12,067 KL in Q3 FY2009 from 25,313 KL in Q3 FY2008. In 9M FY2009, sales came in at 40,689 KL as compared to 68,227 KL in the corresponding period last year. Higher realizations could partially off-set the impact of lower volumes



Cogeneration segment	Revenues	% Contribution to revenues
Q3 FY2009	427.8	7.7
Q3 FY2008	611.7	17.6
<i>% Shift</i>	<i>(30.1)</i>	
9M FY2009	1,742.8	12.1
9M FY2008	2,114.8	17.7
<i>% Shift</i>	<i>(17.6)</i>	
<p>Cogeneration segment delivered lower sales on account of lower volumes due to lower availability of bagasse</p> <p>Cogeneration sales were lower at 848.2 lakh units in Q3 FY2009 from 1,632.2 lakh units in Q3 FY2008. In 9M FY2009, sales came in at 3,568.8 lakh units as compared to 5,143.0 lakh units in the corresponding period last year. Higher realizations could partially off-set the impact of lower volumes</p>		

PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
Q3 FY2009	677.7	65.5
Q3 FY2008	99.8	19.5
<i>% Shift</i>	<i>579.1</i>	
9M FY2009	1,907.5	64.3
9M FY2008	302.1	17.9
<i>% Shift</i>	<i>531.4</i>	
<p>As discussed, PBIT from the sugar segment improved notably by 579.1% during the quarter to Rs. 677.7 million as a result of improved sugar prices.</p> <p>Average sugar realization for the current quarter improved to Rs. 23.06 per Kg compared to Rs. 14.53 per kg in the corresponding quarter last year. For 9M FY2009, sugar realisations were at Rs. 20.36 per Kg compared to Rs. 14.20 per Kg in the corresponding period last year.</p> <p>Current sugar realisations are in the range Rs. 25 per kg and prices are likely to remain firm in the coming quarters owing to the deficit in India.</p>		



Distillery segment	PBIT	% Contribution to PBIT
Q3 FY2009	121.3	11.7
Q3 FY2008	202.4	39.6
<i>% Shift</i>	<i>(40.1)</i>	
9M FY2009	421.1	14.2
9M FY2008	520.1	30.9
<i>% Shift</i>	<i>(19.0)</i>	

Lower production and sales volumes because of non-availability of molasses led to higher per unit costs in the distillery segment. BCML still delivered earnings on the back of healthy realisations witnessed across products.

Average realizations increased to Rs. 25.97 per litre in Q3 FY2009 as compared to Rs. 20.30 per litre. During 9M FY2009, prices improved to Rs. 25.90 per litre from Rs. 18.70 per litre in the previous period under review.

Cogeneration segment	PBIT	% Contribution to PBIT
Q3 FY2009	207.7	20.1
Q3 FY2008	317.8	62.2
<i>% Shift</i>	<i>(34.6)</i>	
9M FY2009	883.2	29.8
9M FY2008	1,049.3	62.3
<i>% Shift</i>	<i>(15.8)</i>	

PBIT in the Cogeneration segment came in at Rs. 883.2 million during the period under review. The Company operated some of its facilities for lower number of days on account of lower bagasse availability.

Average realizations for the quarter increased 31% to Rs. 4 per unit as compared to Rs. 3.05 per unit in the corresponding quarter last year.



Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
Q3 FY2009	798.7	662.9	929.8
Q3 FY2008	261.9	168.5	498.9
<i>% Shift</i>	<i>205.0</i>	<i>293.4</i>	<i>86.4</i>
9M FY2009	2,184.2	1,837.8	2,647.1
9M FY2008	1,072.1	824.5	1,708.2
<i>% Shift</i>	<i>103.7</i>	<i>122.9</i>	<i>55.0</i>

BCML has reported robust profitability of Rs. 662.9 million in Q3 FY2009 as compared to Rs. 168.5 million in the corresponding quarter last year. Sugar segment led by strong realisations was the main contributor to its performance.

The Company maintains a strong balance sheet and the debt to equity ratio stands at a respectable 0.91. As on 30 June 2009, BCML's long-term loan stood at Rs 10,110.8 million.

Interest costs during the quarter were lower at Rs. 236.1 million. The Company also sees further reduction in interest costs going forward.

Operational overview

Sugar production (Lakh quintals)

Particulars	Q3FY2009	Q3FY2008	9MFY2009	9MFY2008
Sugar cane crushed	-	78.89	483.22	805.79
Production	-	8.07	44.17	81.86
Recovery (%)	-	10.23	9.14	10.16

Sharp drop in sugar production for the year due to significant drop in sugarcane yields owing to unfavourable climatic conditions. This also impacted recoveries during the sugar season which were lower at 9.14%.



Distillery operations (KL)

Particulars	Q3FY2009	Q3FY2008	9MFY2009	9MFY2008
Production	15,991.8	23,806.0	48,002.8	70,409.8
<i>% Shift</i>	<i>(32.8)</i>		<i>(31.8)</i>	

Distillery volumes for Q3 FY2009 came in at 15,991.8 KL as compared to 23,806.0 KL in the corresponding quarter last year.

Closing stock for the quarter stood at 13,567.2 KL as compared to 4,191.4 KL for the corresponding quarter last year.

Cogeneration operations (Lakh units)

Particulars	Q3FY2009	Q3FY2008	9MFY2009	9MFY2008
Power production	979.0	1,990.5	4,948.7	7,197.7
<i>% Shift</i>	<i>(50.8)</i>	-	<i>(31.3)</i>	
Power sales to UPPCL	848.2	1,632.2	3,568.8	5,143.0
<i>% Shift</i>	<i>(48.0)</i>	-	<i>(30.6)</i>	-

The Company sold 848.2 lakh units (at Rs. 4.0 per unit) to the state grid during the quarter as compared to 1,632.2 lakh unit (at Rs. 3.05 per unit) in Q3 FY2008.

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S.T.R.E.T.C.H
Unaudited Financial Results
for the quarter ended 30th June, 2009

(Rs. Lacs)

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2009 Unaudited	30.06.2008 Unaudited	30.06.2009 Unaudited	30.06.2008 Unaudited	30.09.2008 Audited
1	a) Net Sales/Income from Operations	53734	31633	132114	105183	146354
	b) Other Operating Income	73	16	348	698	1202
	Total Income (a+b)	53807	31649	132462	105881	147556
2	Expenditure					
	a) (Increase)/Decrease in Stock in trade and Work- in- Process	36339	7890	891	(39965)	(12366)
	b) Consumption of Raw Materials	1179	10461	76198	100287	101416
	c) Employees Cost	2275	1804	6709	6285	8197
	d) Depreciation & Amortisation	2669	3304	8093	8837	11721
	e) Other Expenditure	1014	3124	10975	13762	17570
	Total Expenditure	43476	26583	102866	89206	126538
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	10331	5066	29596	16675	21018
4	Other Income	17	43	93	178	211
5	Profit before Interest & Exceptional Items (3+4)	10348	5109	29689	16853	21229
6	Interest	2361	2490	7847	6132	8965
7	Profit after Interest but before Exceptional Items (5-6)	7987	2619	21842	10721	12264
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	7987	2619	21842	10721	12264
10	Tax Expense	1358	934	3464	2476	2561
11	Net Profit from Ordinary Activities after Tax (9-10)	6629	1685	18378	8245	9703
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-
13	Net Profit after Extraordinary Items (11-12)	6629	1685	18378	8245	9703
14	Paid up Equity Share Capital (Face value of Re.1/- each)	2555	2555	2555	2555	2555
15	Reserves excluding Revaluation Reserve as per last Balance Sheet	-	-	-	-	98935
16	Basic EPS (Rs.) (before & after Extraordinary Items)	2.59	0.66	7.19	3.26	3.83
17	Diluted EPS (Rs.) (before & after Extraordinary Items)	2.58	0.66	7.16	3.26	3.82
18	Public Shareholding					
	- Number of Shares	161385420	164362670	161385420	164362670	164385420
	- Percentage of Shareholding	63.16	64.33	63.16	64.33	64.33
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	94150890	-	94150890	-	-
	- Percentage of Shares (as a % of the total Shareholding of Promoters and Promoter Group)	100.00	-	100.00	-	-
	- Percentage of Shares (as a % of the Share Capital of the Company)	36.84	-	36.84	-	-

Segment Wise Revenue, Results and Capital Employed

Sl. No.	Particulars	Quarter Ended		Nine Months Ended		Year Ended
		30.06.2009 Unaudited	30.06.2008 Unaudited	30.06.2009 Unaudited	30.06.2008 Unaudited	30.09.2008 Audited
1	Segment Revenue					
	a) Sugar	48094	23633	115394	85697	123064
	b) Distillery	3173	5067	10622	12709	16840
	c) Cogeneration	4278	6117	17428	21148	23846
	d) Organic Manure	77	42	250	137	152
		55622	34859	143694	119691	163902
	Less: Inter Segment Revenue	1805	3146	11207	13902	16485
	Net Sales / Income from Operations	53817	31713	132487	105789	147417
2	Segment Results - Profit/(Loss) before Tax and Interest					
	a) Sugar	6777	998	19075	3021	6531
	b) Distillery	1213	2024	4211	5201	6511
	c) Cogeneration	2077	3178	8832	10493	10779
	d) Organic Manure	(47)	(60)	(32)	(143)	(197)
	Total	10020	6140	32086	18572	23624
	Less: i. Interest	2361	2490	7847	6132	8965
	ii. Other un-allocable expenditure net of Un-allocable income	(328)	1031	2397	1719	2395
	Profit before Tax	7987	2619	21842	10721	12264
3	Capital Employed (Segment Assets-Segment Liabilities)					
	a) Sugar	164954	208509	164954	208509	173406
	b) Distillery	15396	15968	15396	15968	14906
	c) Cogeneration	56779	62461	56779	62461	58657
	d) Organic Manure	1271	1319	1271	1319	1286
	e) Unallocable	(7696)	(15894)	(7696)	(15894)	(10759)
	Total	230704	272363	230704	272363	237496

Notes :

- 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 has been accounted for at the State Advised Price (SAP) of Rs.140/- per quintal.
- Sugar being a Seasonal Industry, the performance of the Company varies from quarter to quarter.
- The Statutory Auditors have carried out a " Limited Review" of the Results for the quarter ended 30th June, 2009.
- The above Financial Results were reviewed by Audit Committee and were taken on record by the Board of Directors at its meeting held on 27th July, 2009 at Kolkata.
- During the quarter ended 30th June, 2009, 42 (Forty Two) Investor complaints were received and redressed. 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
27th July, 2009

Vivek Saraogi
Managing Director

BALRAMPUR CHINI MILLS LTD.

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