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

Balrampur Chini Mills Limited

FY2008

Revenues at Rs. 14.8 billion

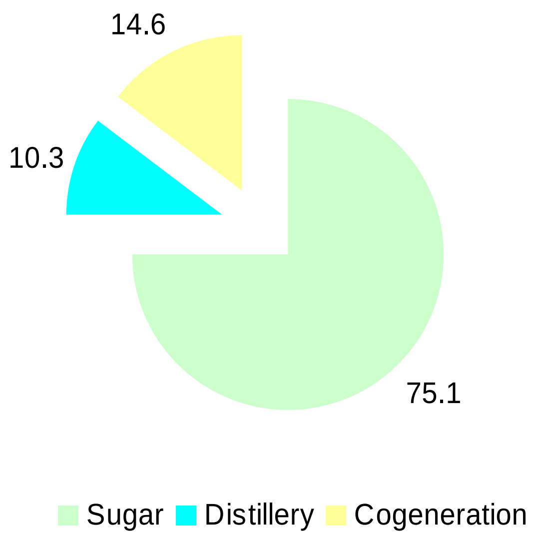
Operating profits up 232% to Rs. 3.3 billion

Cash profits at Rs. 2.1 billion

Kolkata, November 25, 2008: Balrampur Chini Mills Limited (BCML), second largest integrated sugar manufacturing Company in India, announced its results for the fourth quarter & year ended 30 September 2008.

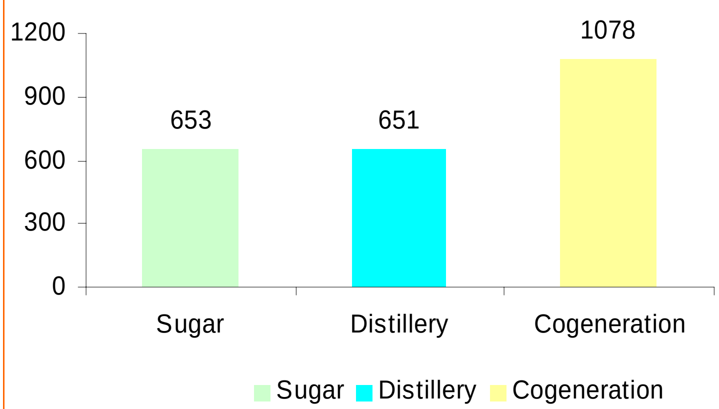
Financial breakup (FY2008)

Revenues (%)



- Sugar segment contributed significantly to revenues at Rs. 12,306.4 million in FY2008. Performance was driven by marginally better realizations
- Distillery segment posted revenue growth on account higher volumes. Revenues were higher by 37.3% to Rs. 1,684.0 million during the year
- In FY2008, co-generation revenues increased by 26.5% to Rs. 2,384.6 million

PBIT (Rs. million)



- Sugar business turns positive and delivers Rs. 653.1 million at PBIT in FY2008 compared to Rs. (1,042.4) million loss in the corresponding period last year.
- Allied businesses contribution to PBIT increased by 25.5% to Rs. 1,729.0 million from Rs. 1,378.0 million

Highlights

- BCML will begin the 2008-09 crushing season with an aggregate sugar crushing capacity of 73,500 TCD, co-generation capacity of 181 MW (126 MW Saleable) and distillery capacity of 320 KLPD
- The Company has delivered encouraging performance during the quarter driven by the sugar business
- Balance sheet strength and net worth will be augmented if the current environment remains stable
  - No further capacity expansion planned in FY2009 – limiting any stress on the balance sheet

Sector update

- Lower production combined with stable to higher consumption should lead to firm sugar prices
  - Drop in production estimated due to reduction in cane acreage. Production in Uttar Pradesh likely to reduce by 15% while Maharashtra is expected to witness a much sharper fall of about 30%
  - Historically the country has witnessed 3% p.a. growth in sugar consumption over last 10 years
  - Decline in production should absorb sugar inventories bringing more stability to prices
- State Advised Price (SAP) fixed at Rs. 140 per quintal in Uttar Pradesh for 2008-09 sugar season
  - The Sugar Industry has filed writ petition against the order in the Allahabad High Court and the hearing is currently in progress
  - The matter remains subjudice – the Company hopes the solution is fair & beneficial to all stakeholders from a long-term perspective – including farmers, producers and consumers

Commenting on the performance for Q4 & FY2008, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

"The Company has delivered healthy performance for the year with improved contribution from all business segments. Sugar division demonstrated promising growth with better realizations witnessed during the quarter. However, the operating uncertainty continues, as the issue of cane pricing remains unresolved and is under review by the judiciary. While distillery and power are having relatively stable operating structure the sugar business outlook will be greatly influenced by the judicial ruling on cane pricing."

FY2008 performance overview (Compared with FY2007)

- Net revenues at Rs. 14,755.6 million from Rs. 14,015.7 million, up 5.3%
- PBIDT grows 231.9% to Rs. 3,295.0 million from Rs. 922.8 million
- PAT increases to Rs. 970.3 million from Rs. (418.4) million
- Cash Profit higher at Rs. 2,142.4 million versus Rs. 383.8 million

Q4 FY2008 performance overview (Compared with Q4 FY2007)

- Net revenues at Rs. 4,167.3 million from Rs. 2,977.7 million
- PBIDT improves to Rs. 725.9 million from Rs. 26.5 million
- PAT enhances to Rs. 145.8 million from Rs. (336.8) million
- Cash Profit better at Rs. 434.1 million versus Rs. (104.4) million

Attached: Details to the announcement and results table

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 & FY2007 figures)

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

Financial overview

Particulars	Net income	PBIDT
FY2008	**14,755.6**	**3,295.0**
FY2007	14,015.7	992.8
% Shift	*5.3*	*231.9*
Q4 FY2008	**4,167.3**	**725.9**
Q4 FY2007	2,977.7	26.5
% Shift	*40.0*	*2,639.3*

In Q4 FY2008, revenue improved owing to relatively better performance delivered in the sugar and distillery divisions. Allied businesses contributed to overall performance during the year.

PBIDT for the quarter came in at Rs. 726 million as compared to Rs. 27 million last quarter as a result of improved realisations.

Sugar segment	Gross Revenues	% Contribution to revenues
FY2008	**12,306.4**	**75.1**
FY2007	12,075.7	79.4
% Shift	*1.9*	-
Q4 FY2008	**3,736.2**	**84.5**
Q4 FY2007	2,468.1	80.7
% Shift	*51.4*	-

Revenues during Q4 & FY2008 were higher owing to relatively better sugar price realisation.

Realisations were higher at Rs. 16.97 per kg in Q4 FY2008 as compared to Rs. 13.47 per kg in the corresponding quarter last year. In FY2008, sugar realisations were at Rs. 14.97 per kg compared to Rs. 14.56 per kg in FY2007. The Company expects realisations to remain firm on account of demand-supply mismatch estimated in the future.

Distillery segment	Gross Revenues	% Contribution to revenues
FY2008	**1,684.0**	**10.3**
FY2007	1,226.5	8.1
% Shift	*37.3*	-
Q4 FY2008	**413.1**	**9.3**
Q4 FY2007	265.2	8.7
% Shift	*55.8*	-

The Company reported strong revenue growth in the distillery division owing to stable realisations and improved sales in FY2008.

Distillery sales were at 19,343.2 KL in Q4 FY2008, as compared to 18,200.0 KL in Q4 FY2007. In FY2008, sales improved by 36.9% to 86,145.1 KL from 62,911.5 KL in FY2007. The segment witnessed realisations of Rs. 19,620.2 per KL in FY2008 as compared to Rs. 19,600.0 per KL in FY2007. In Q4 FY2008, average realisations were at Rs. 23,178.2 per KL compared to Rs. 17,610.0 per KL in the corresponding period.

During the year, ethanol sales were at 167.44 KL, up 63.7% from 102.29 KL in FY2007.

Cogeneration segment	Gross Revenues	% Contribution to revenues
FY2008	**2,384.6**	**14.6**
FY2007	1,884.5	12.4
% Shift	*26.5*	-
Q4 FY2008	**269.9**	**6.1**
Q4 FY2007	326.0	10.7
% Shift	*(17.2)*	-

Revenues in cogeneration increased by 26.5% to Rs. 2,384.6 million in FY2008 as compared to Rs. 1,884.5 million in FY2007 as a result of expanded capacities at Kumbhi and Gularia.

PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
FY2008	**653.1**	**30.8**
FY2007	(1,042.4)	-
% Shift	-	-
Q4 FY2008	**351.0**	**80.2**
Q4 FY2007	(441.1)	-
% Shift	-	-

Profits from the sugar division were at Rs. 653.1 million in FY2008 and at Rs. 351.0 million in Q4 FY2008.

Distillery segment	PBIT	% Contribution to PBIT
FY2008	**651.1**	**30.7**
FY2007	506.2	-
% Shift	*28.6*	-
Q4 FY2008	**131.0**	**29.9**
Q4 FY2007	102.6	-
% Shift	*27.7*	-

The distillery segment of the Company delivered robust operating performance due to higher sales volumes and better realizations witnessed in the quarter. For FY2008, PBIT was Rs. 651.1 million, a growth a 28.6% over last year.

Cogeneration segment	PBIT	% Contribution to PBIT
FY2008	**1,077.9**	**50.8**
FY2007	871.8	-
% Shift	*23.6*	-
Q4 FY2008	**28.5**	**6.5**
Q4 FY2007	122.7	-
% Shift	*(76.8)*	-

In FY2008, the Company reported a steady growth in co-generation profits on account of expanded capacities. Profits during the quarter were lower as the Company operated it facilities for less number of days owing to decrease in bagasse availability. During the year, the Company sold its exportable power to the state grid at an average price of Rs. 3.03 per unit.

Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
FY2008	**1226.4**	**970.3**	**2142.4**
FY2007	(353.6)	(418.4)	383.8
% Shift	-	-	*458.2*
Q4 FY2008	**154.3**	**145.8**	**434.1**
Q4 FY2007	(337.5)	(336.8)	(104.4)
% Shift	-	-	-

Interest costs were higher by 64.7% to Rs. 896.5 million during the year. The Company's ECBs have been completely hedged on the currency and interest rates front which assisted the Company counter currency fluctuations seen during the quarter. The current Debt to Equity ratio is at 0.91. As on 30 September 2008, BCML's long-term loan stood at Rs. 10,230.7 million.

Depreciation for the year ended FY2008 came in higher by 46.1% due to addition capacities at Kumbhi and Gularia facilities during the year. PAT was at Rs. 970.3 million for FY2008 as compared to a loss of Rs. 418.4 million for Rs.FY2007. For Q42008 PAT came in at Rs. 145.8 million as compared to a loss of Rs. 336.8 million last year.

Operational overview

Distillery operations (KL)

Particulars	**FY2008**	FY2007	**Q4FY2008**	Q4FY2007
Particulars	**91,088.5**	64,937.0	**20,679.5**	14,461.0
% Shift	*40.3%*	-	*43.0%*	-
Distillery operations posted excellent performance and sustained healthy growth from its capacities at Balrampur and Mankapur units. The Company expects healthy utilisation levels in the coming sugar season.				

Cogeneration operations (Lakh units)

Particulars	**FY2008**	FY2007	**Q4FY2008**	Q4FY2007
Power production	**7,906.9**	6,768.1	**709.1**	1,069.3
% Shift	*16.8%*	-	*(33.7%)*	
Power sales to UPPCL	**5,733.7**	4,926.2	**590.8**	901.1
% Shift	*16.4%*	-	*(34.4%)*	-
The Company operated its power plants for more off season days during the year. Further, expanded capacities enabled BCML to deliver 97.1% growth in power production.				

– ENDS –

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

Audited Standalone & Consolidated Financial Results

for the year ended 30th September, 2008

(Rs. Lacs)

Sl. No.	Particulars	Standalone Quarter Ended 30.09.2008 Unaudited	Standalone Quarter Ended 30.09.2007 Unaudited	Standalone Year Ended 30.09.2008 Audited	Standalone Year Ended 30.09.2007 Audited	Consolidated Year Ended 30.09.2008 Audited	Consolidated Year Ended 30.09.2007 Audited
1	a) Net Sales/Income from Operations	41172	29245	146354	139172	149094	139481
	b) Other Operating Income	501	532	1202	985	1308	1024
	Total Income (a+b)	**41673**	**29777**	**147556**	**140157**	**150402**	**140505**
2	Expenditure						
	a) (Increase)/Decrease in Stock in trade and Work- in- Process	27599	24615	(12366)	(21360)	(14203)	(21840)
	b) Consumption of Raw Materials	1130	330	101416	128150	104825	128938
	c) Employees Cost	1911	1756	8197	7191	8642	7376
	d) Depreciation & Amortisation	2883	2324	11721	8022	12526	8766
	e) Other Expenditure	3807	2824	17570	16376	18419	17091
	Total Expenditure	**37330**	**31849**	**126538**	**138379**	**130209**	**140331**
3	**Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)**	**4343**	**(2072)**	**21018**	**1778**	**20193**	**174**
4	Other Income	33	13	211	128	211	128
5	**Profit/(Loss) before Interest & Exceptional Items (3+4)**	**4376**	**(2059)**	**21229**	**1906**	**20404**	**302**
6	Interest	2833	1316	8965	5442	10008	6005
7	**Profit/(Loss) after Interest but before Exceptional Items (5-6)**	**1543**	**(3375)**	**12264**	**(3536)**	**10396**	**(5703)**
8	Exceptional Items	-	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before Tax (7+8)**	**1543**	**(3375)**	**12264**	**(3536)**	**10396**	**(5703)**
10	Tax Expense	85	(7)	2561	648	2563	650
11	**Net Profit/(Loss) from Ordinary Activities after Tax (9-10)**	**1458**	**(3368)**	**9703**	**(4184)**	**7833**	**(6353)**
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-	-
13	**Net Profit/(Loss) before adjustment of Minority Interest & Share of Associates (11-12)**	**1458**	**(3368)**	**9703**	**(4184)**	**7833**	**(6353)**
	Less: Loss for the period before the date of becoming Subsidary	-	-	-	-	-	1624
	Less: Minority Interest in Profit / (Loss)	-	-	-	-	-	-
	Add: Share of Profit in Associates	-	-	-	-	1	1
	Net Profit/(Loss) after adjustment of Minority Interest & Share of Associates	**1458**	**(3368)**	**9703**	**(4184)**	**7834**	**(4728)**
14	Paid up Equity Share Capital (Face value of Re.1/- each)	2555	2482	2555	2482	2555	2482
15	**Reserves excluding Revaluation Reserve as per Balance Sheet**	-	-	98935	83917	96576	83410
16	**Basic EPS (Rs.) (before & after Extraordinary Items)**	**0.57**	**(1.36)**	**3.83**	**(1.69)**	**3.09**	**(1.91)**
17	**Diluted EPS (Rs.) (before & after Extraordinary Items)**	**0.57**	**(1.36)**	**3.82**	**(1.69)**	**3.09**	**(1.90)**
18	**Public Shareholding**						
	- Number of Shares	164385420	169203770	164385420	169203770	164385420	169203770
	- Percentage of Shareholding	64.33	68.18	64.33	68.18	64.33	68.18

Segment Wise Revenue, Results and Capital Employed

Sl. No.	Particulars	Standalone Quarter Ended 30.09.2008 Unaudited	Standalone Quarter Ended 30.09.2007 Unaudited	Standalone Year Ended 30.09.2008 Audited	Standalone Year Ended 30.09.2007 Audited	Consolidated Year Ended 30.09.2008 Audited	Consolidated Year Ended 30.09.2007 Audited
1	**Segment Revenue**						
	a) Sugar	37362	24681	123064	120757	125909	121104
	b) Distillery	4131	2652	16840	12265	16840	12265
	c) Cogeneration	2699	3260	23846	18845	23847	18845
	d) Organic Manure	15	10	152	184	152	184
		44207	**30603**	**163902**	**152051**	**166748**	**152398**
	Less: Inter Segment Revenue	2583	1116	16485	12262	16485	12262
	Net Sales / Income from Operations	**41624**	**29487**	**147417**	**139789**	**150263**	**140136**
2	**Segment Results - Profit /(Loss) before tax and interest**						
	a) Sugar	3510	(4111)	6531	(10424)	6085	(11646)
	b) Distillery	1310	1026	6511	5062	6511	5062
	c) Cogeneration	285	1227	10779	8718	10779	8718
	d) Organic Manure	(54)	(47)	(197)	(55)	(197)	(55)
	Total	**5051**	**(1905)**	**23624**	**3301**	**23178**	**2079**
	Less: i. Interest	2833	1316	8965	5442	10008	6005
	ii.Other un-allocable expenditure	756	458	2745	1891	3124	2273
	iii. Un-allocable income	(81)	(304)	(350)	(496)	(350)	(496)
	Profit /(Loss) before tax	**1543**	**(3375)**	**12264**	**(3536)**	**10396**	**(5703)**
3	**Capital Employed (Segment Assets-Segment Liabilities)**						
	a) Sugar	173406	147969	173406	147969	180761	155120
	b) Distillery	14906	15487	14906	15487	14906	15487
	c) Cogeneration	58657	59990	58657	59990	58657	59990
	d) Organic Manure	1286	1397	1286	1397	1286	1397
	e) Unallocable	(10759)	(9862)	(10759)	(9862)	(17503)	(17175)
	Total	**237496**	**214981**	**237496**	**214981**	**238107**	**214819**

Notes :

1. **The Company has allotted 22750 Equity Shares of Re.1 /- each on 13th September, 2008, at a price of Rs.74.60 per Share (Including a premium of Rs.73.60 per Share) to the employees under the Employees Stock Option Scheme.**
2. **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 of 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. Necessary adjustment on account of changes in Cane price, if required, will be made after the Order of Hon'ble Supreme Court, the hearing in respect of which is in progress.**
3. **The Board of Directors has recommended a dividend of Re. 0.50 (50%) per Equity Share of Re 1/- each for the year ended 30th September, 2008.**
4. a **The Consolidated Financial Results for the year ended 30th September, 2008 include Company's Share in the results of its two Subsidiaries viz. Indo Gulf Industries Ltd. (IGIL) & Balrampur Overseas Pvt. Ltd. (BOPL) in which the Company holds 53.96% & 100% of their share capital respectively and also the share of Profit/(Loss) in Avantika Ganna Pvt. Ltd. & Asia Sugar Industries Pvt. Ltd. , Associates of the Company where the Company holds 39.34% & 33.33% of their share capital respectively.**
   b **Since BOPL became Subsidiary of the Company w.e.f .11.10.2007 and Asia Sugar Industries Pvt. Ltd. became the Associate concern w.e.f. 22.01.2008, the Consolidated figures for the year ended 30th September, 2007 do not include the financial results of these concerns.**
   c **The losses applicable to the Minority in IGIL have exceeded the Minority Interest in the equity of the said Subsidiary. Such excess losses upto the date of becoming Subsidiary and subsequent there to have been adjusted with the share of Majority.**
5. **Sugar being a seasonal Industry, the performance of the Company varies from quarter to quarter.**
6. **During the quarter ended 30th September, 2008, seventeen (17) Investor complaints were received and redressed. No complaints were pending either at the beginning or at the end of the quarter.**
7. **The above Audited Financial Results were approved by the Board of Directors at its meeting held on 25th November, 2008 at Kolkata.**
8. **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
25th November, 2008

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