



Balrampur Chini Mills Limited

Q6 FY2011

Net Revenues at ₹ 4,693 million

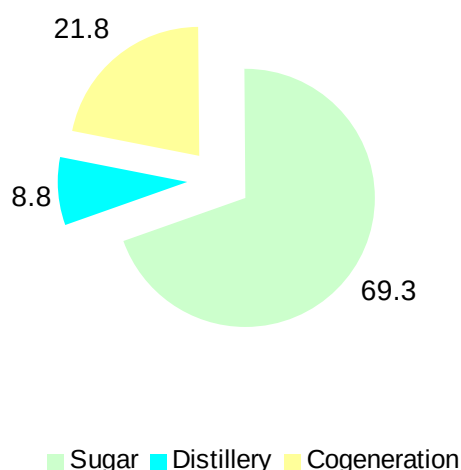
Operating profits at ₹ 2,059 million

PAT at ₹ 1.128 million

Kolkata, May 13, 2011: Balrampur Chini Mills Limited (BCML), one of the largest integrated sugar manufacturing companies in India, announced its results for the sixth quarter and eighteen month ended 31 March 2011.

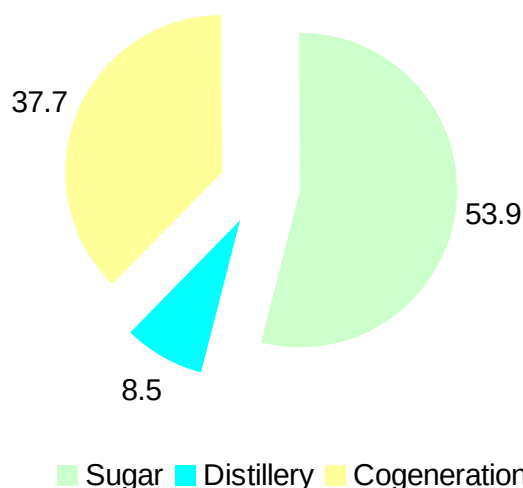
Financial breakup (Q6 FY2011)

Revenues



- Net Revenues during the quarter was flat at ₹ 4,693 million as compared to ₹ 4,705 million in Q2 FY2011
- Higher sugarcane availability has led to Increase in volumes across segments
- Going ahead, stable performance from the sugar segment and increased contribution from allied businesses should ensure stable revenues

PBIT



- Allied businesses increased their contribution by 76.3% to the PBIT at ₹ 956.7 million
- Improved operational performance combined with better volumes enabled the Company to deliver better profitability

Note - Change in accounting year from the period ending on September 30, 2010 to March 31, 2011, therefore the current results are for a 18 month period – 1 October 2009 to 31 March 2011



Highlights for the quarter

- The Company posted a healthy performance on the back of improved volumes across all business segments leading to cost efficiencies
- BCML crushed 6.9 crore quintal for the current sugar season. This is on account of enhanced cane availability due to higher acreage
 - o Sugar production for the current season increased by 29.4% to 65.13 lakh quintal
 - o Recoveries for the season stood at 9.40 % as compared to 9.35% last season
 - o Landed sugarcane costs for the season stood at ₹ 216.39 per quintal as compared to ₹ 241.26 per quintal paid last season
- During the quarter, the Company sold 8,043 KL of ethanol at a rate of ₹ 27 per liter.
- The Board of Directors at its meeting held on February 22, 2011, approved a buy-back of equity shares from open market at a price not exceeding ₹ 85 per share, for an amount upto ₹ 1,100 million.
 - o Till date the company has bought back 127.84 lakh shares for around ₹ 93.19 crore representing 84.7% of the buyback size
- As on 31st March 2011, the Company's Long Term Debt stood at ₹ 716.7 crore as compared to ₹ 909.2 crore as on 31st March 2010



Sector update

- The Country's demand supply for sugar remains more or less evenly matched
 - o India's sugar production for the current year is estimated to be in the range of 24.5 million tonnes. This is expected to increase by 5 – 7% next year
 - o Consumption remains robust at approx. 22.5 million tonnes, with a steady growth rate of 3% per annum CAGR
 - o The Government has permitted sugar exports of 0.5 million tonnes under the Open General License (OGL) and approx. 1.2 million tonnes under the Advance License Scheme (ALS)
 - o Domestic Sugar realizations are expected to remain range bound
- Global sugar prices have corrected recently on account of higher than expected production in Thailand, China and European Union

Commenting on the performance for Q6 & 18M FY2011, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited, said:

"I am pleased to announce a healthy operational and financial performance delivered by the Company during the quarter. Higher than anticipated sugar crushing witnessed in the current season has enabled all our business divisions to report better results. Furthermore, increased volumes also led to optimal utilization of capacities assisting us to improve overall profitability.

We expect the sugar segment to register stable performance in the coming year combined with healthy growth from the allied businesses."



Q6 FY2011 performance overview (Compared with Q2 FY2011)

- Net revenues higher at ₹ 4,693.3 million as compared to ₹ 4,705.1 million
- PBIDT improves to ₹ 2,058.9 million as against ₹ 814.4 million
- PAT increased to ₹ 1,127.8 million from ₹ 275.5 million
- EPS at ₹ 4.34 versus ₹ 1.07

18M FY2011 performance overview

- Net revenues stood at ₹ 29,874.5 million
- PBIDT was at ₹ 5,274.8 million
- PAT at ₹ 1,644.1 million
- EPS came in at ₹ 6.35 per share

Q6 FY2011 Operating overview (Compared with Q2 FY2011)

- In Q6 FY2011, the Company produced 46.87 lakh quintals of sugar as against 32.42 lakh quintals in Q2 FY2011. BCML crushed 491.17 lakh quintals during the quarter as compared to 337.94 lakh quintals in corresponding period last year
 - o Sugar recoveries for the quarter was at 9.54% as compared to 9.59% in Q2FY2011
 - o Free sale sugar realizations for Q6 FY2011 was at ₹ 28.61 per kg as against ₹ 35.75 per kg in Q2 FY2011
- In Q6 FY2011, Distillery division production was higher at 24,074 KL versus to 17,000 KL in Q2 FY2011
- Production from Co-generation segment stood at 3,293 lakh units for the quarter as compared to 2,321 lakh units in Q2 FY2011



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 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. 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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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 Q2 FY2011 figures)

(All rupee figures in ₹ million unless stated otherwise)

Financial overview

Particulars	Net income	PBIDT
Q6 FY2011	4,693.3	2,058.9
Q2 FY2011	4,705.1	814.4
% Shift	(0.25)	152.8
18M FY2011	29,874.5	5,274.8
During the quarter, the allied businesses have increased their contribution to revenues and profitability on the back of higher sales.		

Sugar segment	Gross Revenues	% Contribution to revenues
Q6 FY2011	3,939.5	69.3
Q2 FY2011	4,205.1	76.3
% Shift	(6.3)	-
18M FY2011	26,869.7	81.2
Sugar sales for the quarter were flat at 11.47 lakh quintals as compared to 11.23 lakh quintals in the corresponding quarter of the previous year.		



Distillery segment	Gross Revenues	% Contribution to revenues
Q6 FY2011	499.1	8.8
Q2 FY2011	361.5	6.6
% Shift	38.1	
18M FY2011	1,600.8	4.9
Distillery sales during the quarter were higher at 18,942 KL as compared to 13,823 KL in corresponding quarter of the previous year. Ethanol sales for Q6 FY2011 improved to 8,043 KL compared to mere 12 KL in Q2 FY2011 given the higher procurement by Oil Marketing Companies. Average realisations for ethanol stood at ₹ 27 per BL during the quarter.		

Cogeneration segment	Gross Revenues	% Contribution to revenues
Q6 FY2011	1,242.0	21.8
Q2 FY2011	933.1	16.9
% Shift	33.1	
18M FY2011	4,351.5	13.2
This segment reported a better performance owing to higher bagasse availability leading to higher capacity utilization. Sales from the cogeneration segment were higher at 2,181 lakh units in Q6 FY2011 compared to 1,524 lakh units in Q2 FY2011.		



PBIT

Sugar manufacturing	PBIT	% Contribution to PBIT
Q6 FY2011	956.7	50.0
Q2 FY2011	74.2	12.0
% Shift	1189.4	
18M FY2011	1,743.5	43.3
Levy obligation has been bought back to earlier level of 10% which led to improved profitability. Landed sugarcane costs during the current quarter were ₹ 216.43 per quintal as compared to ₹ 254.11 per quintal in Q2 FY2011. This coupled with higher crushing during the quarter lead to lower cost of production.		

Distillery segment	PBIT	% Contribution to PBIT
Q6 FY2011	203.4	10.6
Q2 FY2011	134.0	21.6
% Shift	51.8	
18M FY2011	446.6	11.1
Stable realisations and increase in ethanol sales to OMC's will lead to enhanced profitability over the next few quarters. For the quarter average realisations stood at ₹ 26.16 per BL as compared to ₹ 25.96 per BL in Q2 FY2011. During the quarter blended realizations of RS and ENA stood at ₹ 25.54 per BL and ₹ 25.96 per BL respectively.		



Cogeneration segment	PBIT	% Contribution to PBIT
Q2 FY2010	753.3	39.4
Q2 FY2011	408.6	66.0
% Shift	84.4	
18M FY 2011	1,841.7	45.7
The cogeneration segment delivered a better operating performance driven by better capacity utilization. During the quarter Average realization per unit of power sold to state power grid was around ₹ 4.01 per unit as compared to ₹ 3.93 per unit in corresponding quarter of the previous year.		

Earnings Overview

Particulars	PBT	PAT	Post Tax Cash Profits
Q6 FY2011	1,491.0	1,127.8	1398.2
Q2 FY2011	337.8	275.5	540.7
% Shift	341.9	309.4	158.6
18M FY2011	2,260.0	1,644.1	3,325.2
Interest costs stood at ₹ 302.5 million in Q6 FY2011 as compared to ₹ 218.5 million in corresponding quarter last year.			



Operational overview

Sugar operations (Lakh quintals)

Particulars	Q6FY2011	Q2FY2011	18M FY2011
Sugar cane crushed	491.17	337.94	1,231.51
Production	46.87	32.42	115.47
Recovery (%)	9.54	9.59	9.38

Distillery operations (KL)

Particulars	Q6FY2011	Q2FY2011
Distillery production	24,074	17,000
% Shift	41.6	-

Cogeneration operations (Lakh units)

Particulars	Q6 FY2011	Q2FY2011
Power production (including from coal based)	3,293	2,321
% Shift	41.9	-
Power sales from bagasse	2,181	1,524
% Shift	43.2	-
Power sales from coal	-	-
% Shift	-	-

- ENDS -

S.T.R.E.T.C.H
Statement of Assets & Liabilities as on 31st MARCH, 2011

(₹ In Lacs)

Sl. No.	Particulars	Standalone	Standalone	Consolidated	Consolidated
		18 Months	Year	18 Months	Year
		Period Ended 31.03.2011 Audited	Ended 30.09.2009 Audited	Period Ended 31.03.2011 Audited	Ended 30.09.2009 Audited
1	Shareholders' Funds				
	a) Share Capital	2563	2568	2563	2568
	b) Reserves & Surplus	127233	114958	127233	110815
	c) Share Holders Account	(861)	-	(861)	-
2	Minority Interest	-	-	-	-
3	Loan Funds	200669	97203	200977	99057
4	Deferred Tax Liability	28341	26163	28341	26163
	Total	357945	240892	358253	238603
1	Fixed Assets (Net , including CWIP)	171602	177676	172286	183109
2	Investments	12861	12657	12653	12222
3	Deferred Tax Assets	5856	5776	5855	5776
	Current Assets, Loans & Advances				
	a) Inventories	149131	34343	149131	35112
	b) Sundry Debtors	8974	1710	8974	1711
	c) Cash and Bank Balances	3222	3297	3444	3416
	d) Other Current Assets	27	16	27	16
	e) Loans and Advances	35338	31123	34983	23981
		196692	70489	196559	64236
	Less: Current Liabilities & Provisions				
	a) Current Liabilities	24084	15549	24074	16219
	b) Provisions	4982	10210	5026	10574
4	Net Current Assets	167626	44730	167459	37443
5	Miscellaneous Expenditure	-	53	-	53
	(Not written off or adjusted)				
	Total	357945	240892	358253	238603
		-	-	-	-

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

Kolkata
13th MAY , 2011

Vivek Saraogi
Managing Director

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