BALRAMPUR CHINI MILLS LIMITED

Q3 & 9M FY2013
RESULTS PRESENTATION
JANUARY 30, 2013

Contents

A Leading Integrated Sugar Player in India

Large Capacities	Sugarcane crushing capacity at 76,500 TCD, Distillery and Co-generation operations of 320 KLPD and 126 MW (Saleable) respectively
Focus on Value Maximization	One of the pioneers of Integrated Business Model in India which stabilizes revenue streams along with providing a hedge against the sugar cycle
Management expertize	Strong management team with years of sugar industry experience
Operational efficiencies	Uses latest technology to achieve highest operational results and leverages inter-plant synergies to maximize by-product utilization
Healthy Balance sheet	One of the strongest balance sheet in the industry

Performance Highlights

Q3 FY2013 highlights v/s Q3 FY2012

- Net Revenue grew by 43.5% to ₹ 9,499.3 million
- EBITDA stood at ₹ 1,183.8 million
- Net Profit stood at ₹ 602.2 million
- Diluted EPS at ₹ 2.46 per share

9M FY2013 highlights v/s 9M FY2012

- Net Revenue grew by 9.6% to ₹ 25,301 million
- EBITDA stood at ₹ 2,962.3 million
- Net Profit stood at ₹ 910.5 million
- Diluted EPS at ₹ 3.72 per share

Management's Message

Commenting on the performance for Q3 FY2013, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:

"We have commenced the sugar season on an encouraging note and as the season progresses, domestic demand supply scenario, import duty policy, and the implementation of the recommendations made by the Rangarajan committee will remain critical for the sector. We are optimistic on the reform front and believe that the government is committed to implementing policies that promote long term equilibrium in the sector.

The key contributor to the top-line growth, during the quarter, was the sugar division liquidation of low cost inventory which resulted in improved profitability.

At BCML, while we remain cognizant of the variable sector dynamics, we are confident that a robust business model and well defined strategies will continue to deliver value in the future."

Company Highlights

- The Company has crushed 2.27 crore quintals of cane in the current quarter of sugar season 2012-13 as compared to 2.80 crore quintal during the last December quarter of sugar season 2011 – 12
  - ✓ This is primarily on account of early start of crushing witnessed during the last season as compared to the current sugar season
  - ✓ The target crushing for the Company remains at 9 crore quintals upto March 2013 and 9.4 crore quintals for the sugar season 2012-13
  - ✓ Recovery is higher at 9.00% as compared to 8.84% during the corresponding period of the previous season
- Improved performance from the sugar division is on account of liquidation of low cost inventory brought forward from last year
- The U.P. government declared State Advice Price of ₹ 280 per quintal of sugarcane for the 2012-13 sugar season
  - ✓ Higher cane cost and falling sugar prices will result in an unviable economic environment for the U.P. based millers

Company Highlights

- The Company has one of the strongest Balance Sheets within the sector – as on 31 December 2012, the Company's Long Term Debt stood at ₹ 597 crore
  - ✓ Debt-equity ratio stood at 0.22 on 31 December 2012
  - ✓ Working Capital borrowings as on 31 December 2012 stood at ₹ 110 crore
  - ✓ Cash and Bank balances stood at ₹ 158 crore

Sector Perspectives

- India's sugar production for the sugar season 2012-13 is estimated at 24 million tonnes as compared to 26 million tonnes in the previous sugar season
  - ✓ Supply remains ahead of demand in-spite of the lower anticipated production
- Dr. C Rangarajan Committee made recommendations related to the reform process on the de-regulation of the sugar sector
  - ✓ The recommedations are currently under evalaution by the government and the outcome is expected to be announced soon – objective is to achieve inclusive growth for all parties involved (from farmers to mill owners)

Sector Perspectives

- Increase in acreage and stable climatic conditions in East Uttar Pradesh (U.P.) are expected to assist the state in reporting higher production
  - ✓ Majority of BCML's capacity is located in Eastern U.P., which is expected to witnessed healthy growth in production
- Global sugar prices remain subdued owing to better than expected output in Brazil, Mexico, United States and other countries
  - ✓ Concurrently, the domestic prices have come under pressure
  - ✓ Resultantly, domestic imports may decrease stabilizing the prices at the current levels

Financial Overview

Statement of Profit & Loss

(₹ million)	Q3 FY13	Q3 FY12	% Y-o-Y Growth	9M FY13	9M FY12	% Y-o-Y Growth
Net Operating Revenue	9,499.3	6,620.8	43.48%	25,301.0	23,095.5	9.55%
EBITDA	1,183.3	(100.5)	-	2,962.3	2,382.3	24.35%
EBITDA Margin (%)	12.46%	(1.52%)		11.71%	10.31%	
Depreciation	271.3	276.6	(1.92%)	820.8	1,107.8	(25.91%)
Interest	216.0	293.9	(26.51%)	1,172.2	1,474.1	(20.48%)
Profit Before Tax	752.9	(640.1)	-	1,138.3	77.8	-
Profit After Tax	602.2	(640.1)	-	910.5	66.2	-
Profit After Tax Margin (%)	6.34%	(9.67%)		3.60%	0.29%	
Diluted EPS (₹)	2.46	(2.62)	-	3.72	0.27	-

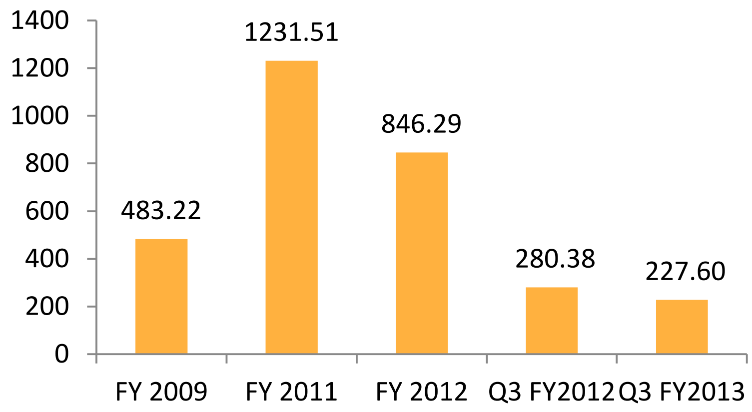
Segmental Overview – Sugar

(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2013	9,2086	91.73%	*634.2*	61.87%
Q3 FY2012	6,115.4	85.01%	*(821.4)*	-
% Shift	50.58%		-	
9M FY2013	23,271.0	88.65%	1,155.9	47.19%
9M FY2012	20,697.8	82.08%	*(221.2)*	-
% Shift	12.43%		-	

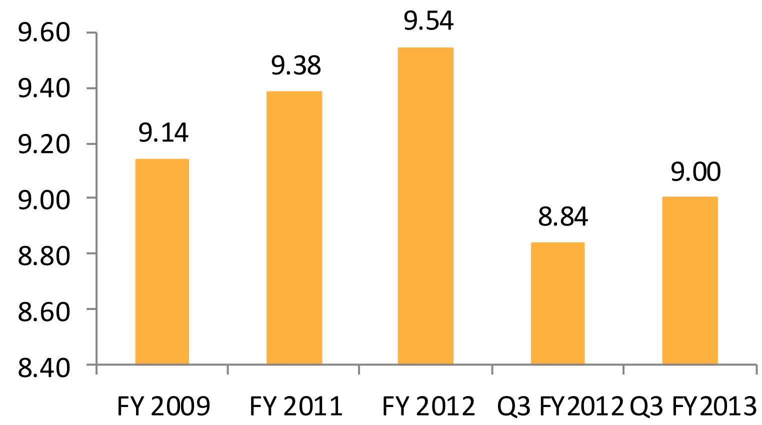
- Improved sugar sales at higher realizations assisted in reporting enhanced numbers for the segment
  - ✓ Q3 FY13 sales volumes at 26.5 lakh quintals were higher by 35.2% as compared to the corresponding quarter of the previous year
  - ✓ Free sale realizations during the quarter stood at ₹ 34.68 per kg as compared to ₹ 29.71 per kg for Q3 FY12

Segmental Overview – Sugar

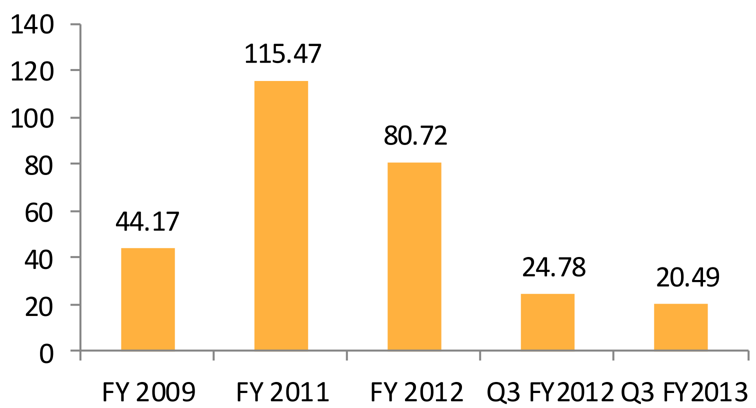
Cane Crushed (Lakh Quintals)



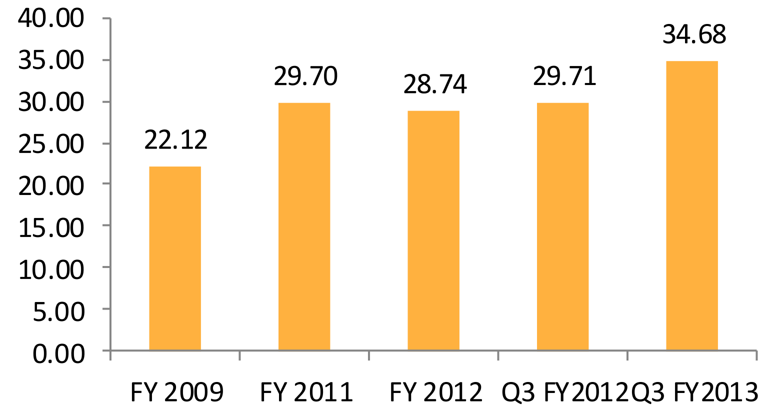
Recovery (%)



Production (Lakh Quintals)



Avg. Realization – Free Sugar (₹ per kg)



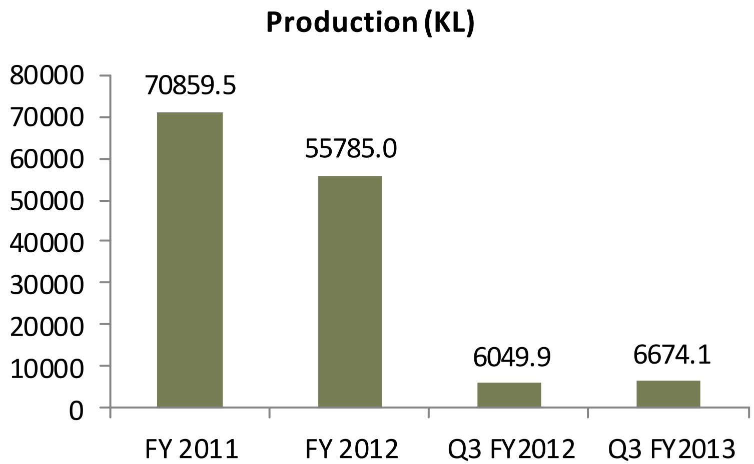
FY 2011 was for a period of 18 months

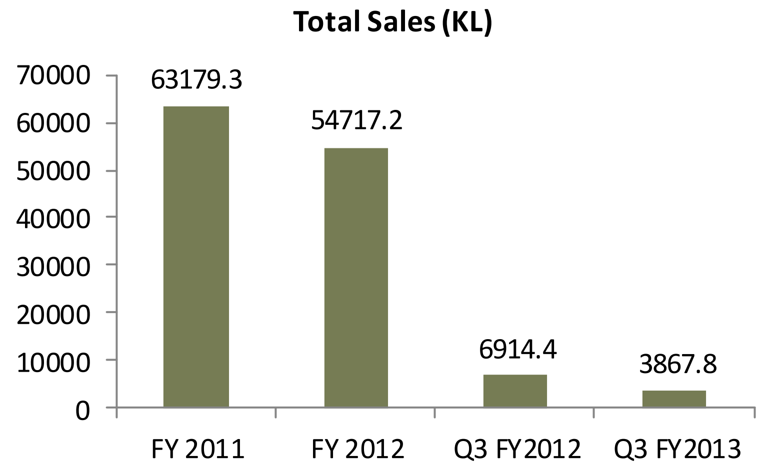
Segmental Overview – Distillery

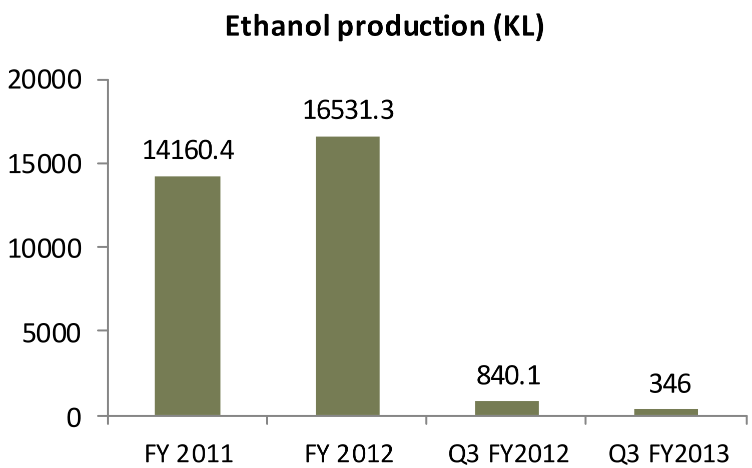
(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2013	133.5	1.33%	*50.7*	4.95%
Q3 FY2012	236.0	3.28%	*68.3*	-
% Shift	(43.43%)		*(25.77%)*	
9M FY2013	1,258.0	4.79%	*512.1*	20.91%
9M FY2012	1,477.4	5.86%	*538.3*	31.03%
% Shift	(14.85%)		*(4.87%)*	

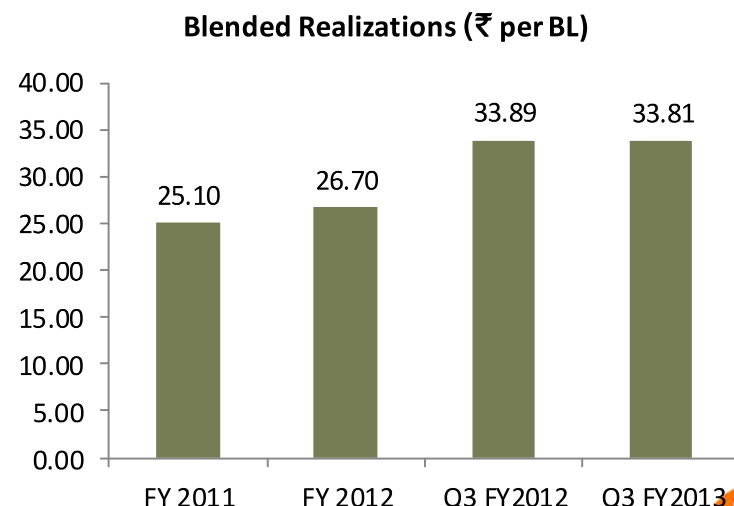
- During the quarter, production volumes registered a stable growth of 10.3% as compared to the corresponding quarter of the previous year
- On account of lack of clarity on the ethanol pricing, the sales volumes remained muted
  - ✓ For Q3 FY13, RS and ENA sales volumes stood at 3,868 KL as compared to 6,914 KL in Q3 FY12; blended realizations for RS and ENA stood at ₹ 33.81 per BL as compared to ₹ 33.89 per BL

Segmental Overview – Distillery









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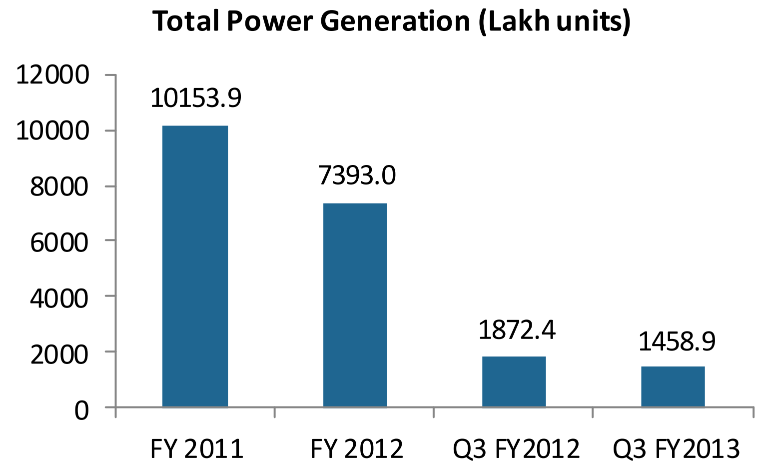
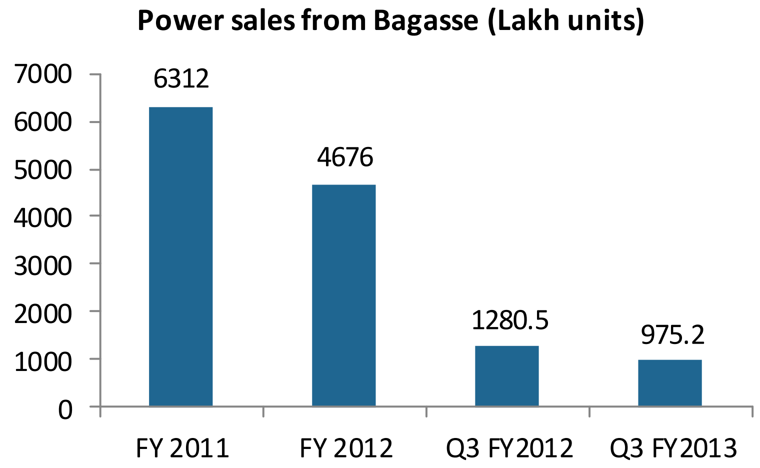
Segmental Overview – Co-generation

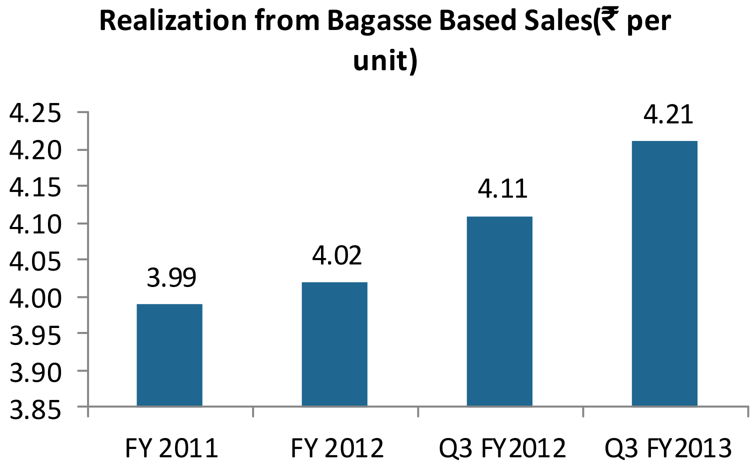
(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2013	678.5	6.76%	*332.8*	32.47%
Q3 FY2012	828.6	11.52%	*453.9*	-
% Shift	(18.11%)		*(26.68%)*	
9M FY2013	1,681.1	6.40%	774.0	31.60%
9M FY2012	3,030.3	12.01%	*1,421.3*	81.92%
% Shift	(44.52%)		*(45.54%)*	

- Sales and production volumes reported moderation during the quarter on a comparative basis as because of early start of crushing during last sugar season
  - ✓ With increased sugarcane crushing, the performance of this division is expected to improve in the coming quarters

Segmental Overview – Co-generation







FY 2011 was for a period of 18 months

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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