



BALRAMPUR CHINI MILLS LIMITED

**Q3 & FY2016
RESULTS PRESENTATION
FEBRUARY 8, 2016**



Disclaimer

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.



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Conference Call Details

Timing

- 03.30 pm IST on Tuesday, February 9, 2016

Conference dial- in

- Primary number: +91 22 6746 8354
- Secondary number: +91 22 3938 1071

Toll Free Number

- Singapore: 800 101 2045
 - Hong Kong: 800 964 448
 - USA: 1 866 746 2133
 - UK: 0 808 101 1573
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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 148.2 MW (Saleable) respectively

Focus on Value Maximization

One of the pioneers of Integrated Business Model in India that stabilizes revenue streams along with providing a hedge against the sugar cycle

Management expertise

Strong management team with years of sugar industry experience

Operational efficiencies

Latest technology implemented to achieve highest operational results and leverage inter-plant synergies to maximize by-product utilization

Healthy Balance sheet

Long Term Debt-equity ratio stood at 0.56 as on December 31, 2015



Performance Highlights

Q3 FY2016 highlights v/s Q3 FY2015

- ❑ Net Revenue grew by 0.85% to ₹ 8,488.8 million as compared to ₹ 8,416.9 million
- ❑ EBITDA stood at ₹ 1,195.3 million as compared to loss of ₹ 267.3 million
- ❑ Net Profit stood at ₹ 878.0 million as compared to loss of ₹ 656.9 million
- ❑ Diluted EPS at ₹ 3.58 per share

9M FY2016 highlights v/s 9M FY2015

- ❑ Net Revenue stood at ₹ 19,860.7 million as compared to ₹ 23,286.6 million
- ❑ EBITDA stood at ₹ 1,076.9 million as compared to ₹ 200.0 million
- ❑ Net Profit stood at ₹ 6.4 million as compared to loss of ₹ 1,335.5 million
- ❑ Diluted EPS at ₹ 0.03 per share



Management's Message

Commenting on the performance for Q3 & 9M FY2016, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:

“Our results reflect the evolving dynamics of the sugar sector. We hope to report better results in sugar segment as compared to previous year on the back of higher recoveries, better sugar realizations and improving demand-supply situation in the country. Mandatory exports of surplus sugar have assisted sugar realizations. Our allied businesses have delivered steady performance during the quarter and we anticipate notable contribution to earnings from these divisions going forward.

We believe our integrated business model and healthy balance sheet that saw us through tough times will also enable us to create sustainable value for all stakeholders in an improving environment.”



Company Highlights

- ❑ BCML crushed 1.82 crore quintals of cane in the current quarter as against 1.88 crore quintal in corresponding previous period
 - ✓ BCML targets to crush approximately 7.1 crore quintals for the current sugar season
 - ✓ Recovery for the quarter was higher at 10.50% as compared to 9.43% in the previous season
- ❑ Sugar realizations for Q3 FY2016 stood at ₹ 27.16 per kg versus ₹ 28.69 per kg in Q3 FY2015.
 - ✓ Current realizations are around ~ ₹ 30 per kg
- ❑ Stable performance from Distillery and Con-generation segments
 - ✓ Distillery blended realizations enhanced to ₹ 39.99 per BL in Q3FY2016 from ₹ 39.29 per BL in Q3FY2015
 - ✓ Cogen realizations stood at ₹ 4.80 per unit



Company Highlights

- ❑ Long-term Net Debt-Equity ratio at 0.56 on December 31, 2015
 - ✓ Long-term debt at ₹ 6,375.7 million on December 31, 2015
 - ✓ Interest cost for 9M FY2016 stood at ₹ 568.0 million as compared to ₹ 755.5 million in 9M FY2015



Sector Perspectives

- ❑ According to ISMA, the India's sugar production is estimated at 26 million tonnes for the current sugar season, the annual domestic consumption is expected at ~25.5 million tonnes
 - ✓ Sugar production till Jan 31, 2016 stood at 14.25 million tonnes
 - ✓ UP produced 3.6 million tonnes till January 31, 2016 as against 3.37 million tonnes in the corresponding period
 - ✓ Maharashtra production stood at 5.44 million tonnes till January 31, 2016, similar levels as that of last year
 - ✓ Karnataka produced 2.69 million tonnes till January 31, 2016 as compared to 2.31 million tonnes last year



Financial Overview

Statement of Profit & Loss

(₹ million)	Q3 FY16	Q3 FY15	% Y-o-Y Growth	9M FY16	9M FY15	% Y-o-Y Growth
Net Operating Revenue	8,488.8	8,416.9	0.85%	19,860.7	23,286.6	-14.71%
EBITDA	1,195.3	(267.3)	-	1,076.9	200.0	438.45%
EBITDA Margin (%)	14.08%	-3.18%	-	5.42%	0.86%	-
Depreciation	274.5	257.1	6.77%	838.7	875.7	-4.23%
Interest	75.8	161.8	-53.15%	568.0	755.5	-24.82%
Profit Before Tax	879.8	(656.9)	-	8.2	(1,335.5)	-
Profit After Tax	878.0	(656.9)	-	6.4	(1,335.5)	-
Profit After Tax Margin (%)	10.34%	-7.80%	-	0.03%	-5.74%	-
Diluted EPS (₹)	3.58	(2.68)	-	0.03	(5.45)	-



Segmental Overview – Sugar

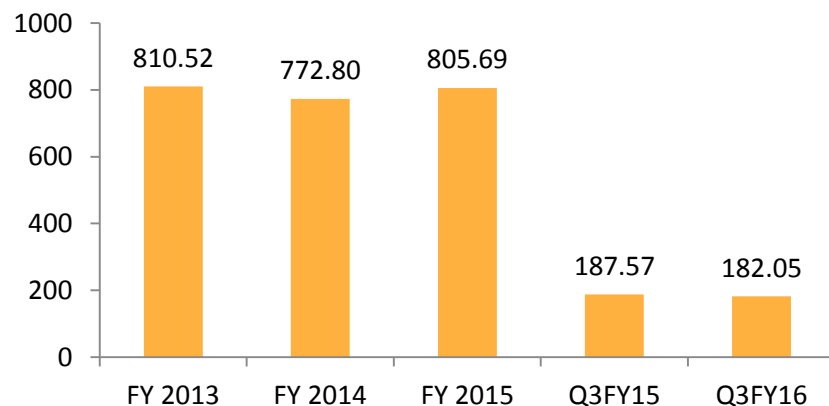
(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2016	7,852.1	82.37%	259.7	-
Q3 FY2015	7,363.2	80.44%	(1,408.1)	-
% Shift	6.64%	-	-	-
9M FY2016	17,642.5	81.12%	(1,068.4)	-
9M FY2015	20,133.8	81.67%	(2,652.0)	-
% Shift	-12.37%	-	-	-

- ❑ Sugar segment revenues at ₹ 7,852.1 million on account of higher sales volumes
 - ✓ Sales volume during the quarter was higher at 26.37 lakh quintals versus 24.00 lakh quintals in Q3 FY16
 - ✓ Realizations for Q3 FY16 lower at ₹ 27.16 per kg versus ₹ 28.69 per kg in Q3 FY15
 - ✓ As on December 31, 2015, sugar inventory stood at 15.98 lakh quintals and is valued at ₹ 29.84 per kg

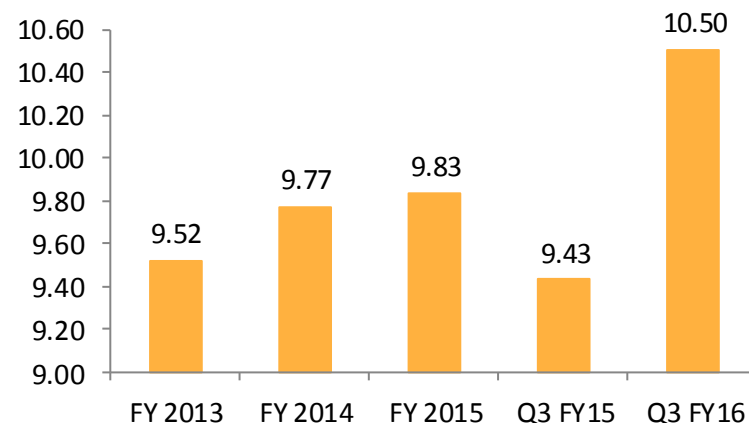


Segmental Overview – Sugar

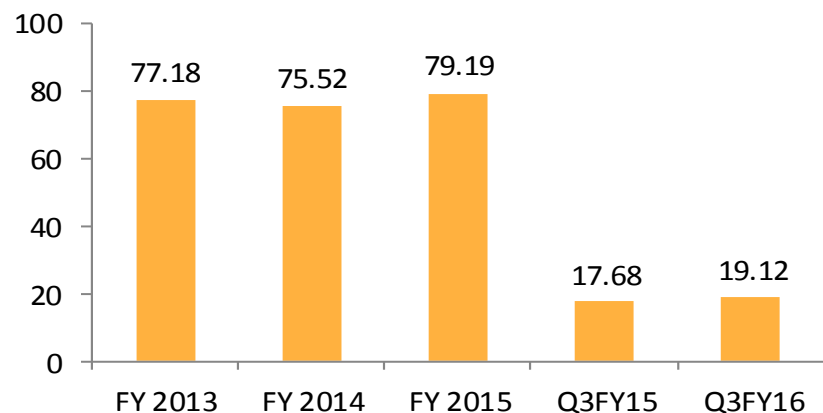
Cane Crushed (Lakh Quintals)



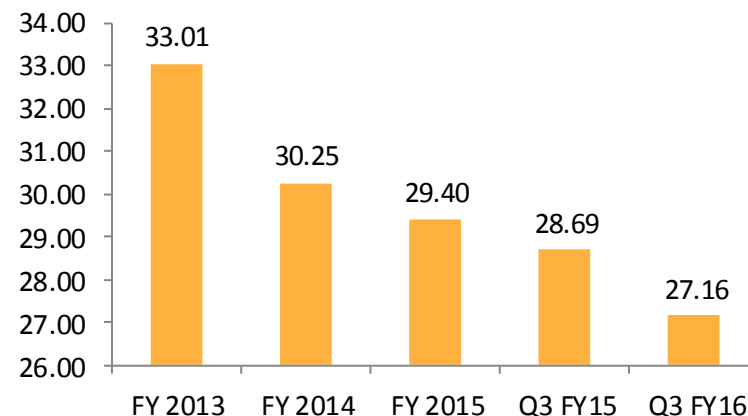
Recovery (%)



Production (Lakh Quintals)



Avg. Realization – Free Sugar (₹ per kg)



Segmental Overview – Distillery

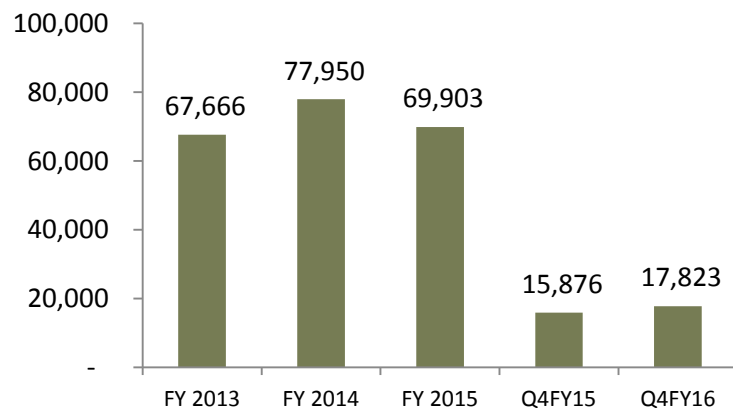
(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2016	662.5	6.95%	300.3	-
Q3 FY2015	664.5	7.26%	314.3	-
% Shift	-0.30%	-	-4.45%	-
9M FY2016	2,022.0	9.30%	959.7	-
9M FY2015	2,200.7	8.93%	1,113.5	-
% Shift	-8.12%	-	-13.81%	-

- The segment delivered stable results on account of stable realizations and volumes
 - ✓ Average blended realizations for the quarter improved to ₹ 39.99 per BL versus ₹ 39.29 per BL in Q3FY15
 - ✓ Ethanol sales at 14,090 KL in Q3FY16 with an average realization of ₹ 40.77 per BL
 - ✓ RS and ENA sales volumes stood at 1,911.9 KL as compared to 10,166 KL in Q3FY15, average realizations stood at ₹ 34.23 per BL as against ₹ 39.36 per BL in Q3FY15

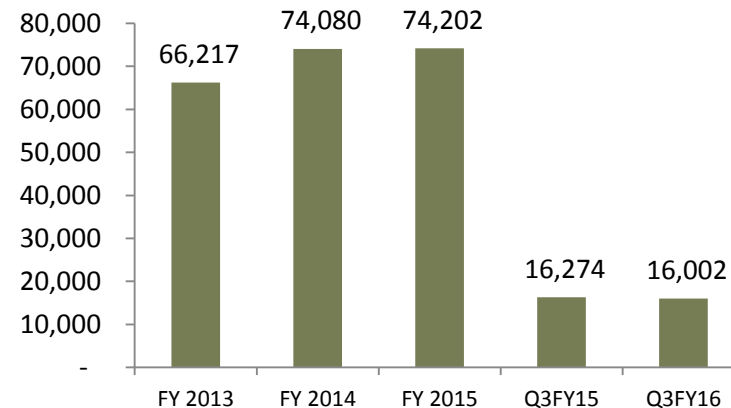


Segmental Overview – Distillery

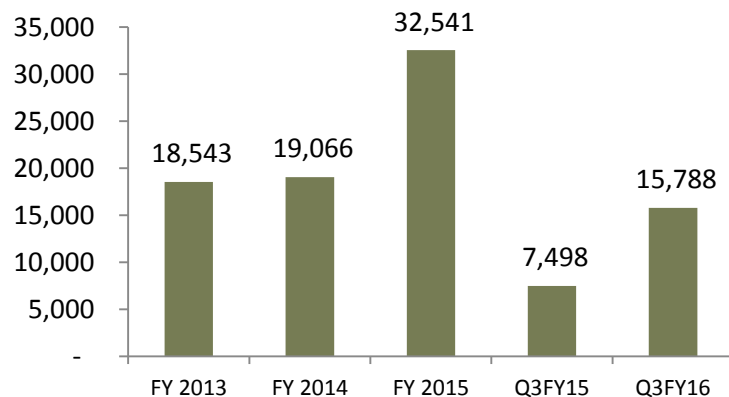
Production (KL)



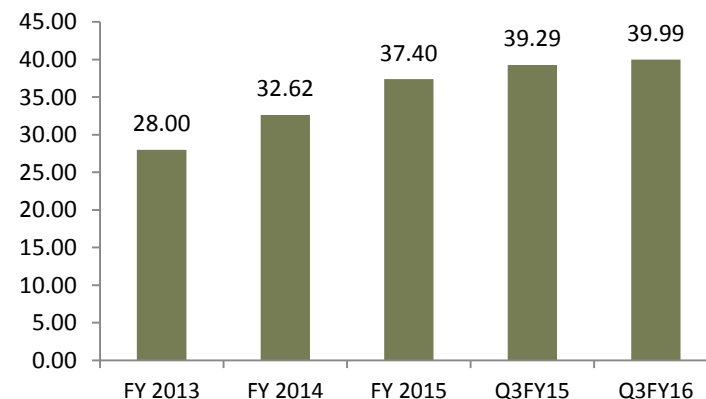
Total Sales (KL)



Ethanol production (KL)



Blended Realizations (₹ per BL)



Segmental Overview – Co-generation

(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q3 FY2016	1,005.6	10.55%	437.1	-
Q3 FY2015	1,112.0	12.15%	666.3	-
% Shift	-9.57%	-	-34.40%	-
9M FY2016	2,047.1	9.41%	822.6	-
9M FY2015	2,281.8	9.26%	1,137.1	-
% Shift	-10.29%	-	-27.66%	-

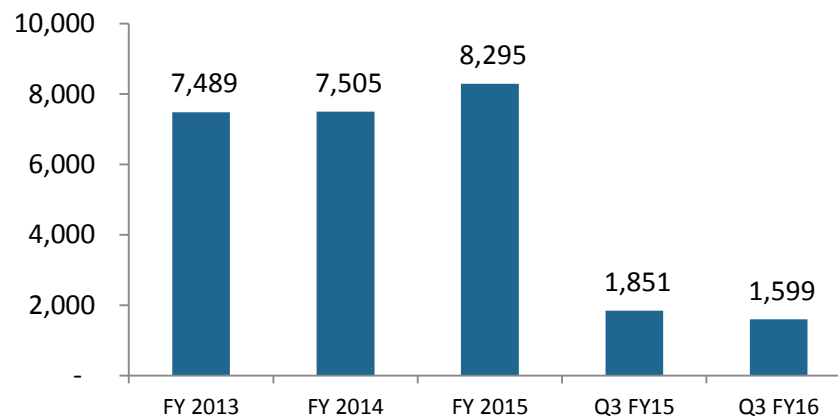
❑ Co-generation delivered stable performance

- ✓ 1,107 lakh units of volume sold in Q3FY16 as compared to 1,372 lakh units Q3FY15
- ✓ Realizations for sale to UPPCL stood at ₹ 4.80 per unit

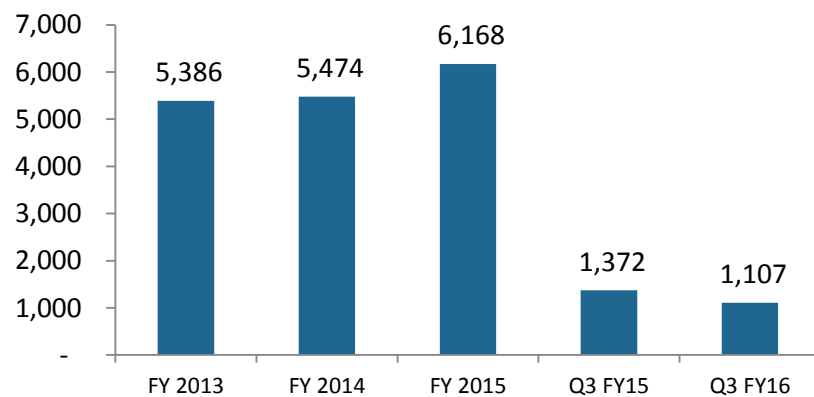


Segmental Overview – Co-generation

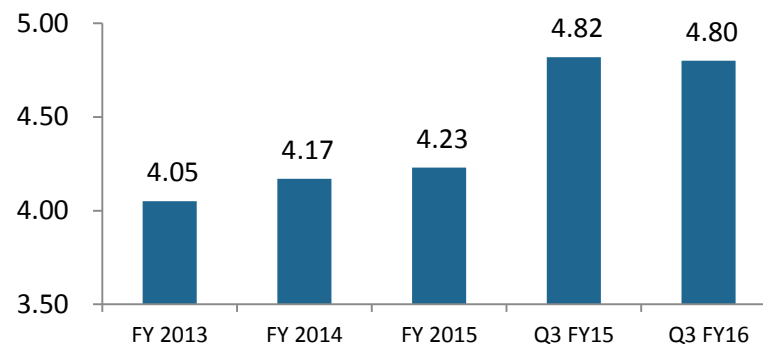
Total Power Generation (Lakh units)



Power sales from Bagasse (Lakh units)



**Realization from Bagasse Based Sales
(₹ per unit)**



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 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 148.2 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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