BALRAMPUR CHINI MILLS LIMITED

Q4 & FY2014
RESULTS PRESENTATION
MAY 12, 2014

Contents

A Leading Integrated Sugar Player in India

Large Capacities	Sugarcane crushing capacity at 79,000 TCD, Distillery and Co-generation operations of 320 KLPD and 147.2 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 expertize	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	Debt-equity ratio stood at 0.55 as at March 31, 2014

Performance Highlights

Q4 FY2014 highlights v/s Q4 FY2013

- Net Revenue stood at ₹ 6,999.8 million as compared to ₹ 7,447.4 million in Q4 FY13
- EBITDA stood at ₹ 2,383.3 million as compared to ₹ 1,236.6 million in Q4 FY13
- Net Profit stood at ₹ 1,899 million as compared to ₹ 709.80 million in Q4 FY13
- Diluted EPS at ₹ 7.75 per share as compared to ₹ 2.90 in QY FY13

FY2014 highlights v/s FY2013

- Net Revenue stood at ₹ 26,649.4 million as compared to ₹ 32,748.4 million in FY13
- EBITDA stood at ₹ 2,140.2 million as compared to ₹ 4,198.9 million in FY13
- Net Profit stood at ₹ 36.4 million as compared to ₹ 1,620.3 million in FY13
- Diluted EPS at ₹ 0.15 per share as compared to ₹ 6.63 in FY13

Management's Message

Commenting on the performance for Q4 & FY2014, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:

"During the year, the performance in the sugar segment was adversely affected owing to lower sugar sales realisations. The allied segments on the other hand delivered positive contribution to overall performance. Our integrated model continues to provide us valuable comfort from the uncertainties of the sector.

The industry witness one of the most challenging sugar seasons with high production cost and lower sugar prices resulting in a subdued operating environment. This has led to an overall increase in arrears to over Rs. 10,000 crore, an unprecedented level for the industry.

A long-term cane pricing mechanism linked to sugar prices is crucial for sustainability of the sector. We are hopeful that the committee which has been set up at the UP state level to look into the matter of linking of sugarcane prices with sugar realisations will take a positive decision soon."

Company Highlights

- The Company crushed 7.73 crore quintals of cane in the current year as compared to 8.10 crore quintal in the 2012 – 13
  - ✓ Sugar production for the year stood at 75.52 lakh quintals as against 77.18 lakh quintals in 2012-13
  - ✓ Recovery for the current year was higher at 9.77% as compared to 9.52% in previous year
- The capacity expansion by 12.7 MW of the Co-generation facility at Kumbhi was commissioned on 29th March, 2014
  - Total co-generation saleable capacity now stands 147.2 MW
- As at 31 March 2014, the Company's Long Term Debt stood at ₹ 667.09 crore
  - ✓ Net Working Capital borrowings stood at ₹ 718.36 crore

Sector Perspectives

- India's sugar production till April 30, 2014 stands at 23.75 million tonnes as compared to 24.60 million tonnes in the corresponding period last year
  - ✓ Uttar Pradesh recorded a lower output of 6.41 million tonnes till April 30, 2014 as against 7.48 million tonnes in corresponding period last year, a decline of 14% y-o-y
  - ✓ Maharashtra produced 7.65 million tonnes till April 30, 2014 versus 7.81 million tonnes in the previous season
  - ✓ Whereas, Karnataka recorded an output at 4.17 million tonnes till April 30, 2014, an increase of 23% y-o-y as against 3.4 million tonnes last season driven by an increase in recovery at 10.99%
- Sugarcane arrears for the industry are more than ₹ 10,000 crore as of April 30, 2014, the highest level till date
  - ✓ This is on account of high cost of production, driven by higher cane price and lower-than-expected realizations
  - ✓ Also industry is facing challenges in arranging requisite bank finances as banks are not comfortable financing sugar sector

Financial Overview

Statement of Profit & Loss						
(₹ million)	Q4 FY14	Q4 FY13	% Y-o-Y Growth	FY14	FY13	% Y-o-Y Growth
Net Operating Revenue	6,999.8	7,447.4	*-6.01%*	*26,649.4*	*32,748.4*	*-18.62%*
EBITDA	2,383.3	1,236.6	*92.73%*	*2,140.2*	*4,198.9*	*-49.03%*
EBITDA Margin (%)	*34.05%*	*16.60%*	-	*8.03%*	*12.82%*	-
Depreciation	270.0	261.8	*3.13%*	*1,094.5*	*1,082.6*	*1.10%*
Interest	*228.6*	*266.5*	*-14.22%*	*1,178.4*	*1,438.7*	*-18.09%*
Profit Before Tax	*1,969.8*	*967.3*	*103.64%*	*126.7*	*2,105.6*	*-93.98%*
Profit After Tax	1,899.0	709.8	*167.54%*	*36.4*	*1,620.3*	*-97.75%*
Profit After Tax Margin (%)	*27.13%*	*9.53%*	-	*0.14%*	*4.95%*	-
Diluted EPS (₹)	7.75	2.90	-	*0.15*	*6.63*	-

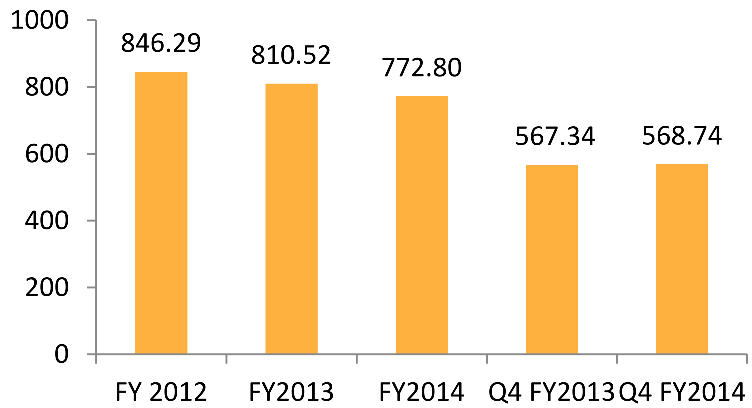
Segmental Overview – Sugar

(₹ million)	Segment Revenues	% contribution to Revenues	PBIT	% contribution to PBIT
Q4 FY2014	6,333.9	73.26%	*1,106.0*	49.17%
Q4 FY2013	6,760.5	75.80%	*110.2*	8.19%
% Shift	-6.31%	-	*903.63%*	-
FY2014	23,599.4	80.08%	(1,084.9)	-
FY2013	30,031.5	85.39%	*1,266.1*	33.36%
% Shift	-21.42%	-	-	-

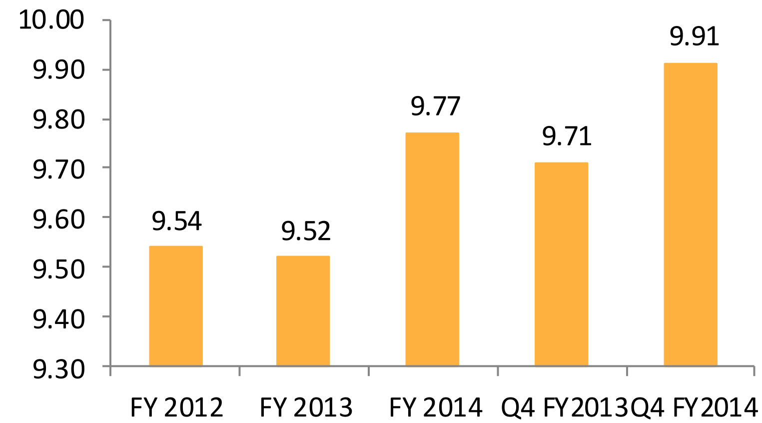
- This segment delivered a muted performance on account of subdued realizations and low volumes
  - ✓ In Q4 FY14, sugar sales stood at 17.83 lakh quintals as compared to 18.50 lakh quintals in Q4 FY13
  - ✓ Realizations for the Q4 FY14 and FY2014 stood at ₹ 28.90 per kg and ₹ 30.44 per kg respectively
- As at March 31, 2014, sugar inventory stood at 57.66 lakh quintals and is valued at ₹ 31.96 per kg – which is the cost of production

Segmental Overview – Sugar

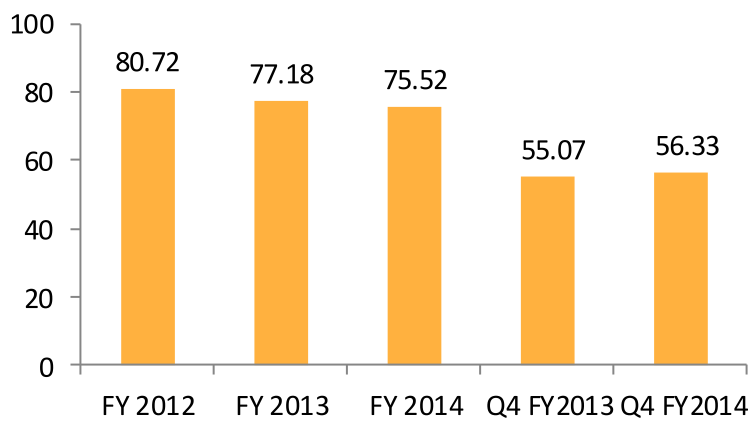
Cane Crushed (Lakh Quintals)



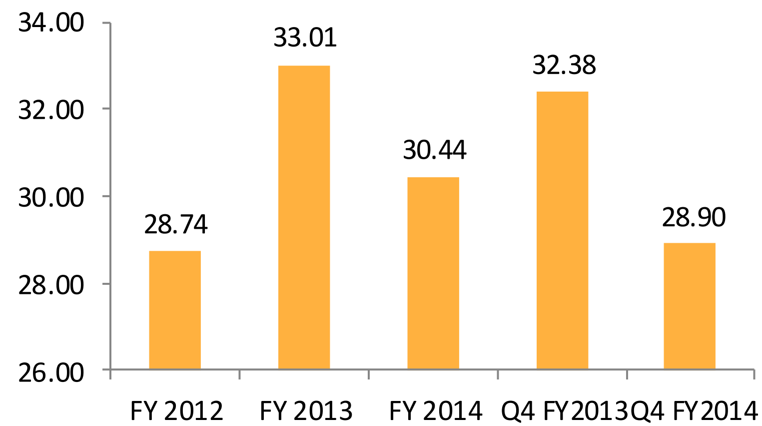
Recovery (%)



Production (Lakh Quintals)



Avg. Realization – Free Sugar (₹ per kg)

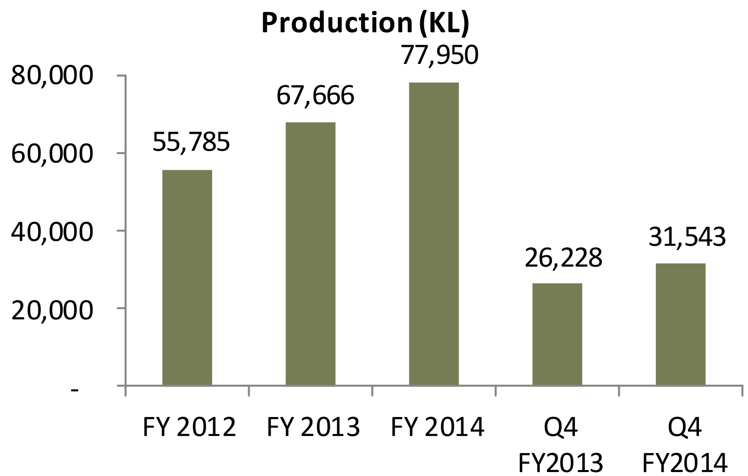


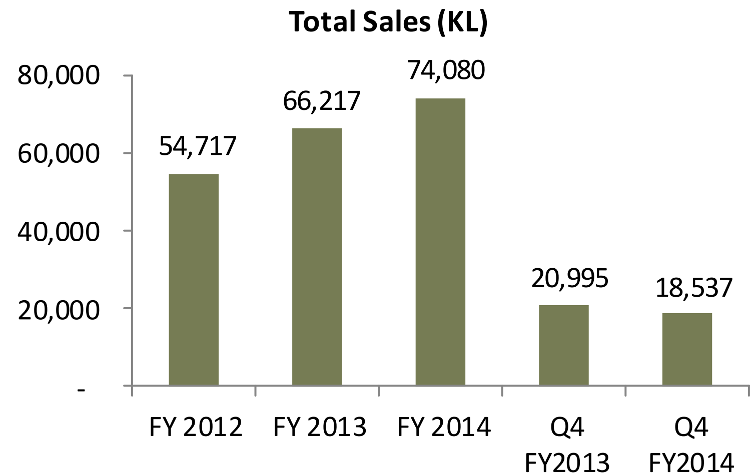
Segmental Overview – Distillery

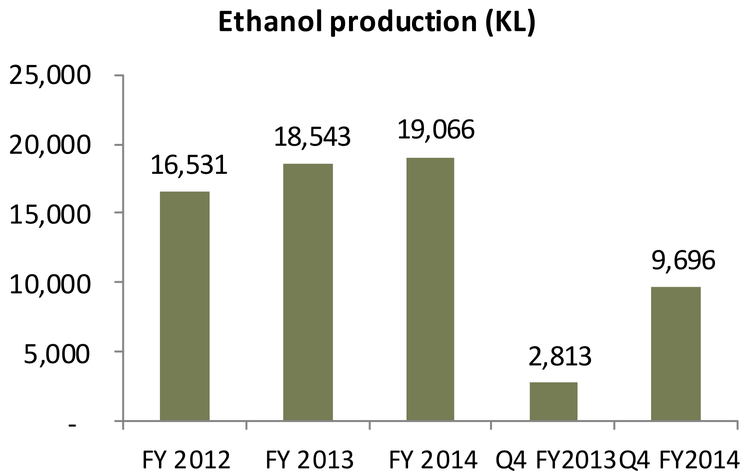
(₹ million)	*Segment Revenues*	*% contribution to Revenues*	*PBIT*	*% contribution to PBIT*
Q4 FY2014	713.5	8.25%	*375.3*	16.68%
Q4 FY2013	803.6	9.01%	*456.2*	33.90%
% Shift	-11.21%	-	*-17.73%*	-
FY2014	2,518.1	8.54%	*1,162.2*	-
FY2013	2,061.6	5.86%	*968.3*	25.52%
% Shift	22.14%	-	*20.02%*	-

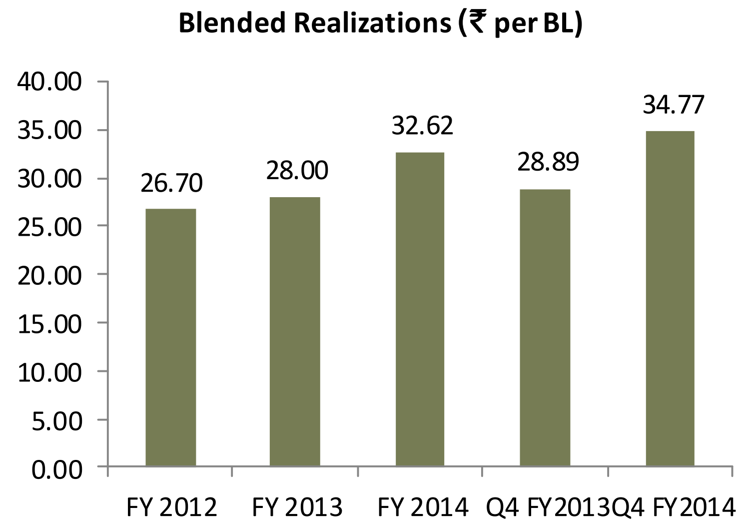
- In FY14, higher sales volumes and realizations lead to an improved performance from this segment
  - ✓ Blended realizations for the quarter were at ₹ 34.77 per BL as against to ₹ 28.89 per BL in Q4 FY13
  - ✓ Ethanol sales were lower at 6,690 KL in Q4 FY14 as compared to Nil in Q4 FY13
  - ✓ RS and ENA sales volumes for Q4 FY14 stood at 11,847.2 KL as compared to 20,994.8 KL in Q4 FY13
- Going forward, higher Ethanol offtake by Oil Marketing Companies (OMCs) is likely to improve performance of the segment

Segmental Overview – Distillery







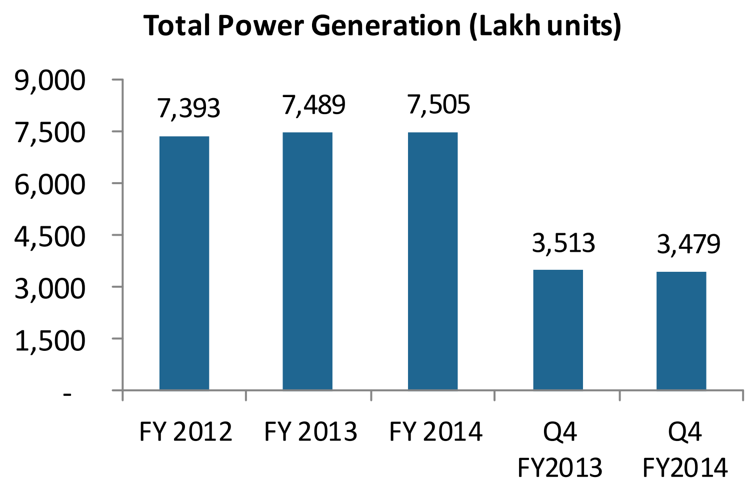


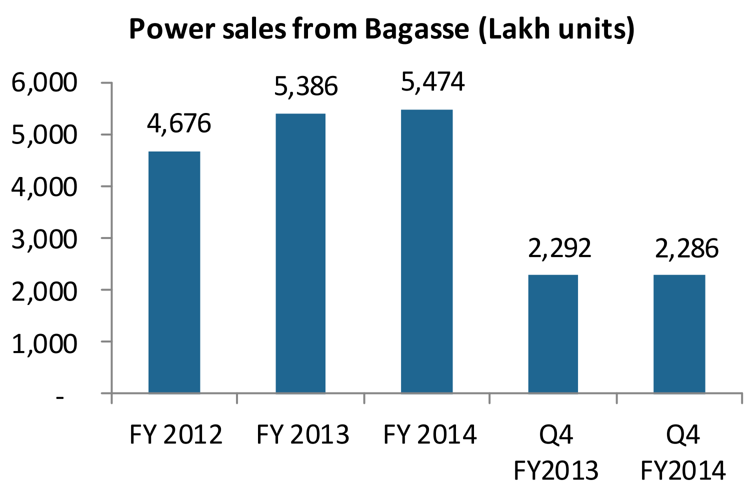
Segmental Overview – Co-generation

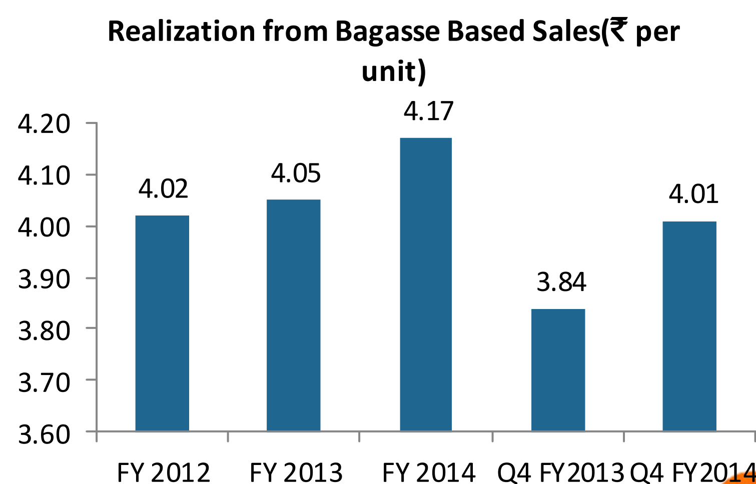
(₹ million)	*Segment Revenues*	*% contribution to Revenues*	*PBIT*	*% contribution to PBIT*
Q4 FY2014	1,573.4	18.20%	*765.8*	34.04%
Q4 FY2013	1,343.6	15.06%	*774.6*	57.55%
% Shift	17.10%	-	*-1.11%*	-
FY2014	3,294.5	11.18%	1,519.6	-
FY2013	3,024.7	8.60%	*1,548.4*	40.80%
% Shift	8.92%	-	*-1.86%*	-

- Co-generation segment sales and production volumes remained stable due to delay in start of the sugar crushing season
  - ✓ Additional 12.7MW expansion at Kumbhi will enhance capacity and improve performance from this segment going forward
- During the quarter under review Company began selling of Renewable Energy Certificate (REC) and the same is expected to continue going forward

Segmental Overview – Co-generation







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 eleven sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 79,000 TCD, distillery and co-generation operations of 320 KLPD and 147.2 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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