

Balrampur Chini Mills Limited

Q1 FY2019 Results Presentation

August 8, 2018



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.

Conference Call Details	4
Performance Highlights	6
Management's Message	7
Company Highlights	8
Financial Overview	9
Segmental Overview	10

Timing

- 11:30 am on Thursday, Aug 09, 2018

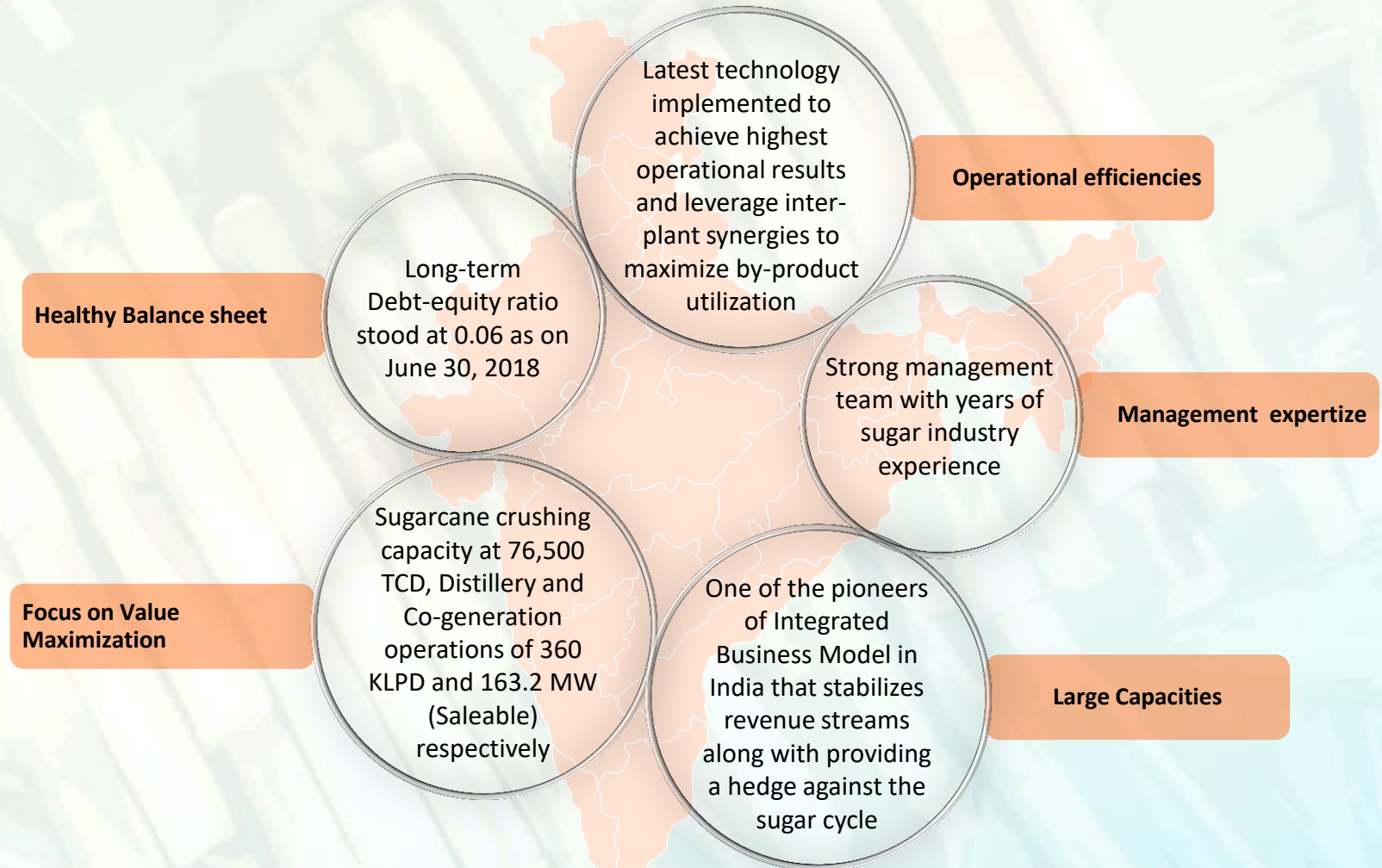
Conference dial-in

- Primary number: +91 22 6280 1141 / 7115 8042

Toll Free Number

- Singapore: 800 101 2045
- Hong Kong: 800 964 448
- USA: 1 866 746 2133
- UK: 0 808 101 1573

A Leading Integrated Sugar Player In India



Q1 FY2019 highlights v/s Q1 FY2018

Revenue at ₹1,00,254 lacs as compared to ₹1,13,645 lacs

EBITDA at ₹12,938 lacs as compared to ₹20,672 lacs

Total comprehensive income at ₹7,319 lacs as compared to ₹11,978 lacs

Diluted EPS at ₹3.22 per share for Q1FY19

Commenting on the performance for Q1 FY2019, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:

“The sugar industry is currently facing severe headwinds owing to record domestic production. This has led to a large unsold inventory and highly depressed sugar prices. The large disparity in input costs and realizations has impacted profitability of all sugar mills and subsequently their ability to pay farmers. Our sugar division’s performance is also in-line with the tough operating environment. The Distillery and Cogeneration segments have contributed positively owing to higher volumes.

The Central Government did intervene and introduce various measures to improve the dynamics of the sector. However, the industry is still under considerable stress. With expectations of higher sugar output for the next season, we are hopeful that the both Central and State Government would take a more proactive approach and adopt a rational cane pricing policy.”

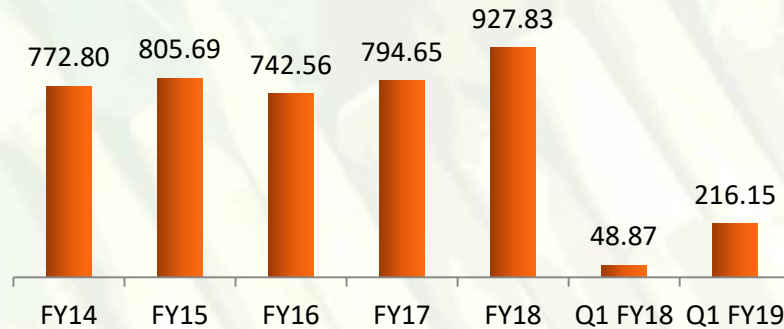
- Long term ratings of the Company stands at AA as assigned by ICRA and CRISIL. Short terms ratings as assigned by both stands at A1+
- Long-term loans as on 1st April 2018 was ₹12,430.54 lacs. Out of the same ₹1,880.14 lacs has been repaid till 30th June 2018 as per the repayment schedule.
- As on 30th June 2018 the long term debt of the Company stands at ₹10,550.40 lacs which includes interest free SEFASU Loan of ₹5,500.19 lacs, SDF Loan of ₹1,600.21 lacs @4% and a term loan of ₹3,450 lacs at 3.5% (net of interest subvention). Balance scheduled repayments during FY2018-19 stands at ₹9,483.60 lacs.
- The Board of Directors at their meeting held on 8th August 2018 has approved setting up of 160 KLPD distillery at Gularia Unit for an estimated capex of ~ ₹20,718 lacs. The said project will be funded through mix of debt and equity in the ratio of 68:32. Part of debt would be eligible for interest subvention under the Scheme announced by the Government of India.

Particulars	Q1 FY19 (₹ in lacs)	Q1 FY18 (₹ in lacs)	% Y-o-Y Growth	FY18 (₹ in lacs)
Revenue from Operations	1,00,254	1,13,645	-11.78%	4,40,072
EBITDA	12,938	20,672	-37.41%	45,166
<i>EBITDA Margin (%)</i>	<i>12.91%</i>	<i>18.19%</i>		<i>10.26%</i>
Depreciation	2,329	2,382	-2.23%	9,522
Finance Costs	1,653	2,637	-37.32%	5,203
Profit Before Tax	9,513	16,349	-41.81%	33,219
Total Comprehensive Income	7,319	11,978	-38.90%	21,657
<i>Total Comprehensive Income Margin (%)</i>	<i>7.30%</i>	<i>10.54%</i>		<i>4.92%</i>
Diluted EPS (₹)	3.22	5.11		9.41

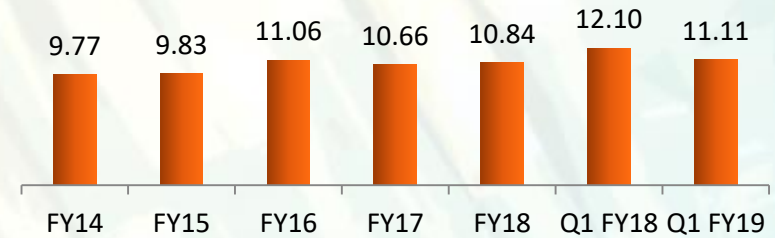
	Segment Revenues (₹ lacs)	% contribution to Revenues	PBIT (₹ lacs)	% contribution to PBIT
Q1 FY19	83,761	74.32%	407	3.42%
Q1 FY18	1,00,237	83.17%	13,992	69.61%
FY18	4,16,426	82.83%	13,883	33.12%

- Cane crushed during the quarter was 216.15 lac quintals as compared to 48.87 lac quintals during Q1FY18
- Sugar production during the quarter stood at 24.02 lac quintals as compared to 5.91 lac quintals during Q1FY18
- Sales during Q1FY19 was 26.65 lac quintals as compared to 24.59 lac quintals during Q1FY18
- Sugar realizations for the quarter stood at ₹28.42 per kg compared to ₹36.65 per kg in Q1FY18
- Sugar inventory as on 30th June 2018 was 57.28 lac qtls. valued at ₹29 per kg
- W.e.f. 1st April 2018 transfer price of molasses has been revised to ₹150 per MT as against earlier price of ₹3500 per MT owing to which Segment PBIT was lower by ₹10455 lacs

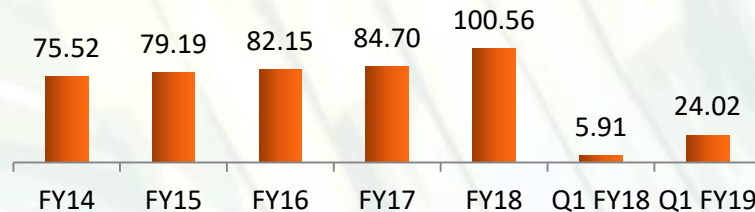
Cane Crushed (Lac Quintals)



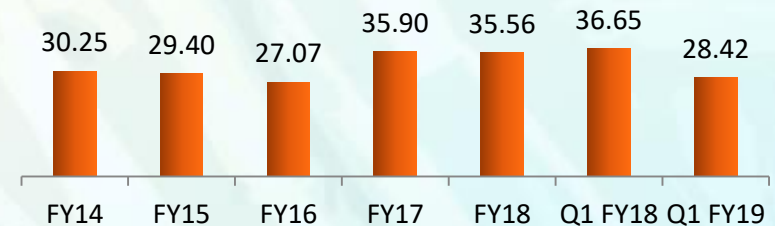
Sugar Recovery (%)



Production (Lac Quintals)



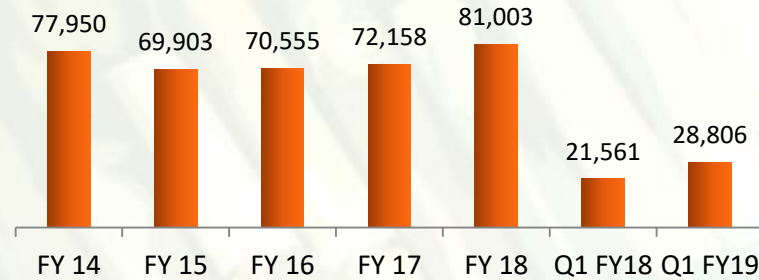
Avg. Realization - Sugar (₹ per kg)



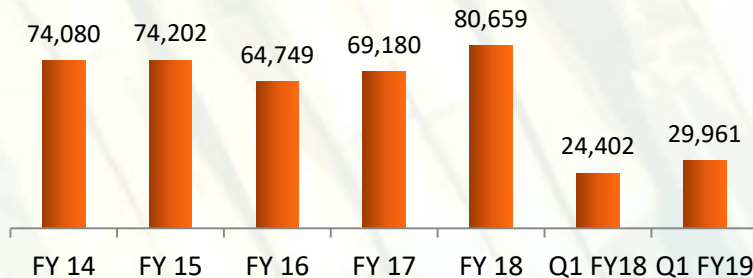
	Segment Revenues (₹ lacs)	% contribution to Revenues	PBIT (₹ lacs)	% contribution to PBIT
Q1 FY18	12,241	10.86%	6,171	51.83%
Q1 FY17	10,831	8.99%	3,443	17.13%
FY18	33,167	6.60%	10,820	25.81%

- Improved performance from the segment on account of higher volumes and realizations coupled with change in transfer pricing policy of molasses w.e.f. 1st April 2018 from ₹3500 per MT to ₹150 per MT owing to which Segment PBIT was higher ₹2399 lacs
 - 29,961 KL sold during Q1FY19 at an average realizations of ₹40.26 per BL as compared to 24,402 KL at an average realization of ₹38.97 per BL in Q1FY18
 - As on 30th June 2018 stock of molasses stood at 24.05 lac qtls. as compared to 17.44 lac qtls as on 30th June 2017.
 - The Govt. of India has fixed the procurement price of Ethanol at ₹40.85 per BL applicable for 2017-18 (Dec-Nov) and ₹43.7 per BL applicable for 2018-19 (Dec-Nov)

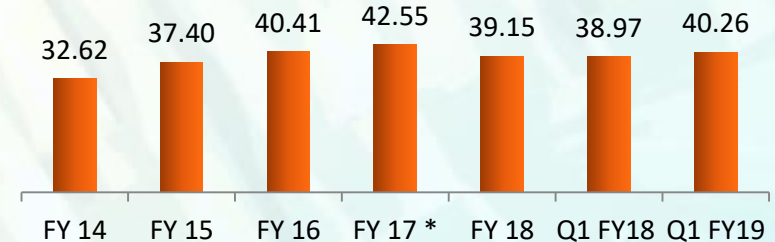
Production (KL)



Sales (KL)



Avg. Realization - Distillery (₹ per BL)

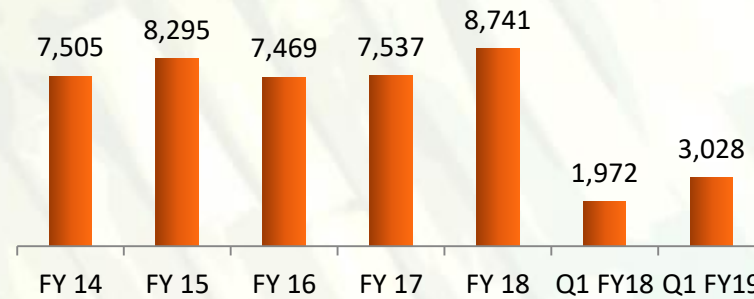


* Govt. had waived excise duty on supply of Ethanol for sugar season 2015-16 which resulted in higher realization for FY17.

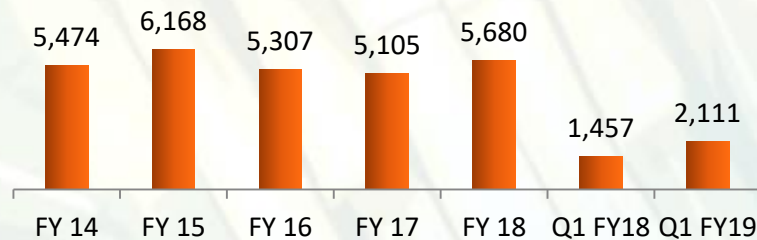
	Segment Revenues (₹ lacs)	% contribution to Revenues	PBIT (₹ lacs)	% contribution to PBIT
Q1 FY19	16,429	14.58%	5,242	44.02%
Q1 FY18	9,450	7.84%	2,666	13.26%
FY18	53,117	10.57%	17,207	41.04%

- The segment reported better performance on account of higher volumes and realizations
 - 2,111 lac units sold in Q1FY19 at an average realization of ₹4.98 per unit as compared to 1,457 lac units in Q1FY18 at an average realization of ₹4.80 per unit
 - As on 30th June 2018 stock of bagasse stood at 1.89 lac MT as compared to 1.31 lac MT as on 30th June 2017

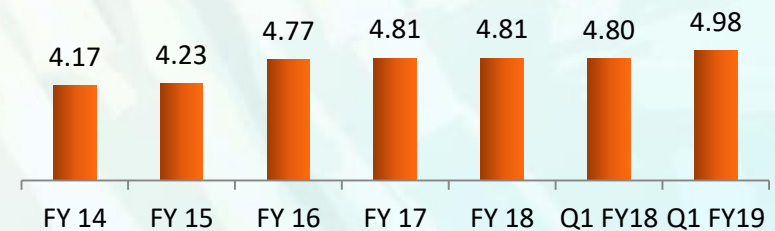
Production (Lac units)



Power sales (Lac units)



Avg. Realization - Cogen (₹ 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 and cogeneration. 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 360 KLPD and 163.2 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

For further information contact:

Pramod Patwari
Balrampur Chini Mills Limited
Registered Office: FMC Fortuna, 2nd Floor,
234/3A, A. J. C. Bose Road, Kolkata 700020.
CIN : L15421WB1975PLC030118
Tel : +91 33 2287 4749
Fax : +91 33 2289 2633
Email : pramod.patwari@bcml.in

Anoop Poojari / Karl Kolah
CDR India
Tel: +91 22 6645 1211 / 1220
Fax: +91 22 6645 1213
Email: anoop@cdr-india.com /
karl@cdr-india.com

Thank You

