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BALRAMPUR CHINI MILLS LIMITED

2nd February, 2022

National Stock Exchange of India Limited Listing Department, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400051	BSE Limited The Corporate Relationship Department 1st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai- 400001
Scrip Code: BALRAMCHIN	Scrip Code: 500038

Dear Sir/ Madam,

Sub: Results Presentation

Please find attached Results Presentation in relation to the Financial Results of the Company for the Quarter and Nine Months ended 31st December, 2021, declared on 2nd February, 2022.

This is for your information and record.

Thanking you,

Yours faithfully,
For Balrampur Chini Mills Limited

Manoj Agarwal
(Company Secretary and Compliance Officer)

Manoj

“Attractively Placed”

The principal message we wish to send out to our stakeholders on our prospects for today and tomorrow



Balrampur Chini Mills Limited

Q3 & 9MFY22 Performance Review
for Investors, 2nd February 2022

Safe Harbour

Certain statements made in this document may constitute forward-looking statements. These 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

Timing 11:30 IST on Thursday, 3rd February 2022

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

Table of Contents

1	Message from the Managing Director	5
2	Brief about the company	6-8

This presentation comprises six parts

1	Our performance	9-19
2	The performance of our business segments	20-42
3	Our treasury management	43-50
4	Global and Indian sugar sector overview	51-57
5	The strategic direction of our company	58-60
6	ESG and how it is enhancing shareholder value	61-71

A message from Managing Director

At Balrampur Chini, we are attractively placed for good reasons.

“The Company delivered robust results during the quarter under review aided by increased realizations in our sugar and distillery segments.

We plan to crush ~5-7% more cane during the current sugar season. Sugar recovery is lower due to climatic reasons.

The Company completed the expansion of its Gularia distillery from 160 KLPD to 200 KLPD. The greenfield/brownfield expansion programmes for distillery at Maizapur and Balrampur are on track, expected to commence production at the expanded capacity from November 2022. Progress is satisfactory for the modernization and upgradation of sugar factories and expected to come on stream from November 2022.

I am pleased to share that the Board of Directors have declared an interim dividend of Rs. 2.50 per Equity Share of Re. 1 each, aggregating Rs. 51.01 crores.

The Board also approved the sale of entire 45% stake in its associate company - Visual Percept Solar Projects Private Limited.

BCML has always aspired for optimal investments and enhanced shareholder value.

We reward our stakeholders across the foreseeable future.”

*Mr. Vivek Saraogi, Managing Director
Balrampur Chini Mills Limited.*

A brief perspective about our company

Among India's largest integrated sugar companies

Principal businesses
Sugar + Distillery

10 sugar factories in
Uttar Pradesh (East
and Central)

Rs. 7498 cr. market
capitalization as on
31st December 2021

42.42% promoter
shareholding

Big numbers

76,500

TCD of aggregate
sugarcane crushing
capacity

560

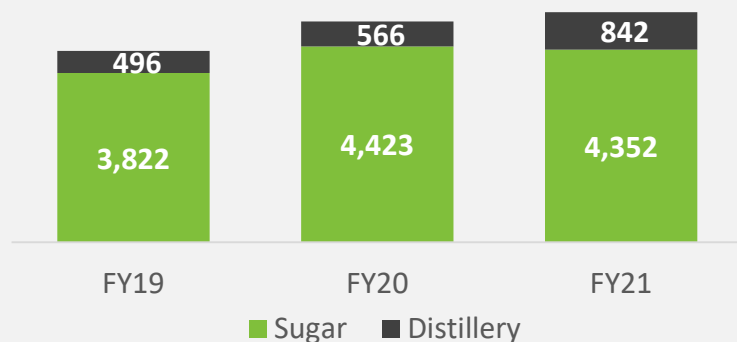
KLPD of distillery
capacity

172.2

MW of co-generation
capacity (saleable
power)

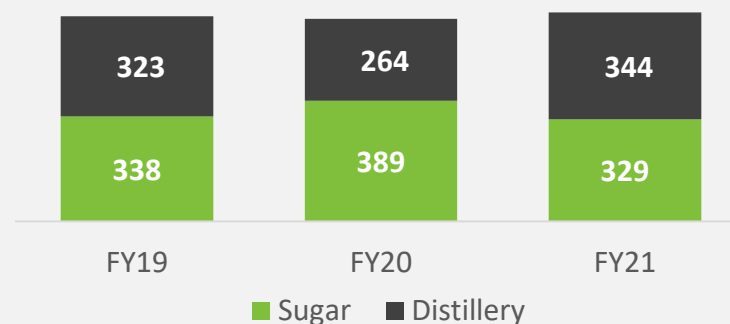
Robust and sustainable financial performance on the back of structural changes

Segment revenues (Rs. Cr.) *



* Revenues includes inter-segment revenues

Segment PBIT (Rs. Cr.)



These numbers here exclude Revenues/PBIT of 'Others' segment, being negligible

On a review, being undertaken during the quarter, in terms of Ind AS 108 'Operating Segments', sugar and distillery have been identified as distinctive operating segments pertaining to the Company's operation and segmental information, including for the previous periods and have accordingly been compiled/restated and disclosed in the results.

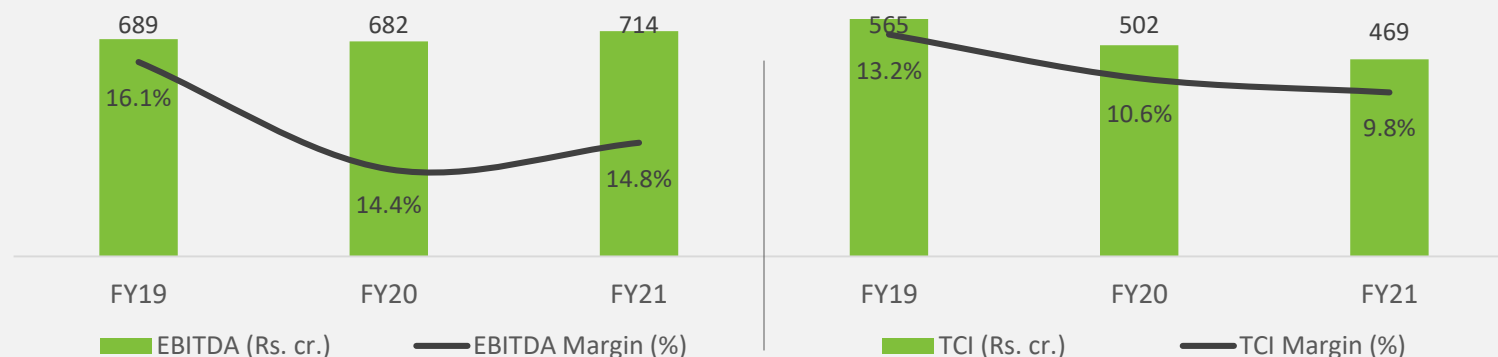
Revenue from the distillery segment contributed 16.1% to our overall revenues in FY21 compared to 11.5% in FY19.

Going forward, the distillery segment is expected to contribute ~35% to our overall revenues.

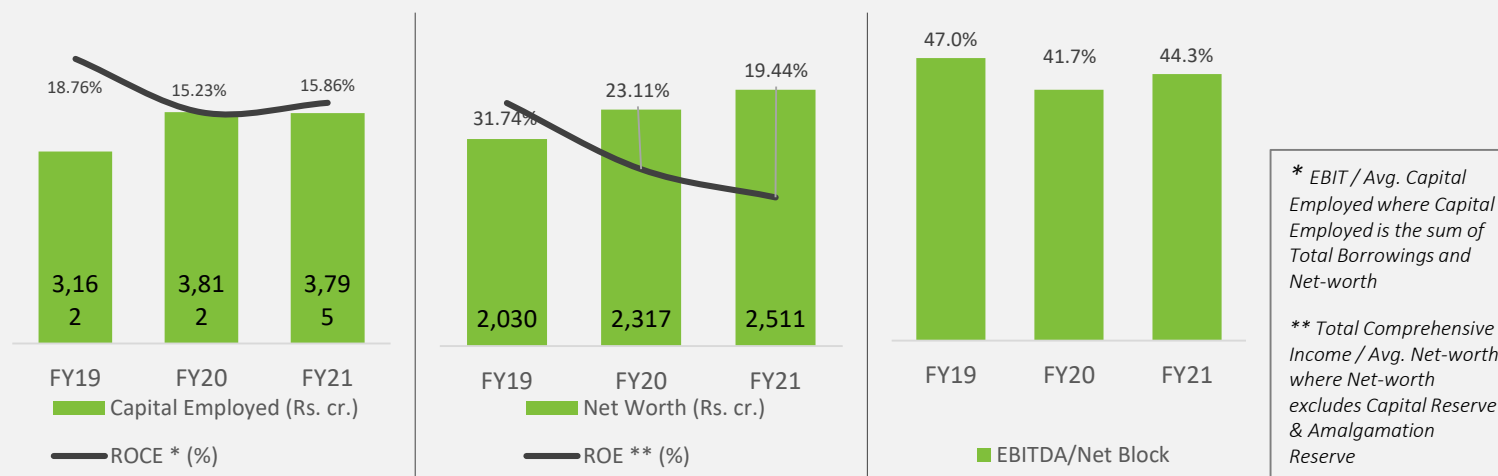
The distillery segment contributed 50.3% to PBIT in FY21 compared to 48.6% in FY19.

We are focusing on increasing the share of revenue / profit from our distillery operations.

Robust and sustainable financial performance on the back of structural changes (continued)



Healthy profitability on the back of structural sectorial changes



PART ONE

Our Q3 performance in numbers

Overview: The importance of Q3 results for an integrated sugar company like ours

Crushing

The October-December quarter is when cane crushing begins for a new sugar season

Basis for estimates

The commencement of crushing establishes operational timeliness, farm yield of cane and crushing recovery

Cost dimension

The government's announcement of cane price payable to farmers establishes a resource cost dimension for the ongoing season

Ethanol realisations

The government's announcement of ethanol price payable to sugar mills enhances strategic clarity


Purchase estimates

The government tenders for the annual purchase of ethanol commences in the quarter coupled with the start of deliveries

The background of the company's Q3 performance, FY 22




Cane crushing commenced across the ten mills (between 9 November 2021 to 11 December 2021)



The focus was on maximising cane mobilization



There were no statutory cane arrears on the company's books



The Gularia distillery expansion programme (from 160 KLPD to 200 KLPD) was completed

This is what we achieved during Q3, FY 22

71.2

Rs. cr. of total
comprehensive
income (TCI)

*(Rs. 20.9 cr. in the
corresponding period, FY 21)*

71.1

Rs. cr. of profit
after tax

*(Rs. 22.4 cr. in the
corresponding period, FY 21)*

99.2

Rs. cr. of cash
profit

*(Rs. 49.1 cr. in the
corresponding period, FY 21)*

86.43%

% revenues from sugar

*(87.74% in the
corresponding period, FY 21)*

13.24%

% revenues from distillery

*(12.02% in the
corresponding period, FY 21)*

This is how our performance translated into shareholder value - Q3 FY 22

3.48

Rs. earnings per share

(Rs. 1.07 in the corresponding period, FY 21)

4.85

Rs. cash earnings per share

(Rs. 2.34 in the corresponding period, FY 21)

7,498

Rs. cr. market capitalization, 31 December 2021

(Rs. 3,612 cr. as on 31 December 2020)

Our consolidated financial performance

Q3 FY22 (Rs.Cr.)	Q3 FY21 (Rs. Cr.)	Change (%)	Particulars	9MFY22 (Rs Cr.)	9MFY21 (Rs.Cr.)	Change (%)	FY21 (Rs. Cr.)	FY20 (Rs. Cr.)	FY19 (Rs. Cr.)
1212.15	1072.17	13.1%	Revenue from Operations	3566.42	3792.30	(5.96)%	4811.66	4741.29	4285.78
85.49	20.22	322.8%	Profit Before Tax	294.25	302.93	(2.87)%	609.18	568.06	601.79
21.37	(6.67)	-	Tax	70.10	58.65	19.52%	129.39	48.70	25.97
0.09	(1.46)	-	Other Comprehensive Income	0.24	(4.35)	-	(0.56)	(6.90)	(5.14)
64.21	25.43	152.5%	Total Comprehensive Income	224.39	239.93	(6.48)%	479.23	512.46	570.68
3.14	1.28	-	EPS (Rs.)	10.78	11.38	-	22.48	23.44	25.21

Note: Consolidated results include the results of two associate companies (Visual Percept Solar Projects Pvt. Ltd. and Auxilo Finserve Pvt. Ltd.); the Company's share as on 31 December 2021 was 45% and 44.7% respectively

Footnote: Some variations have transpired on account of our seasonal industry nature, lower cane availability, transfer of profitability from sugar to ethanol due to cane diversion and declining dependence on sugar exports

Our standalone financial results

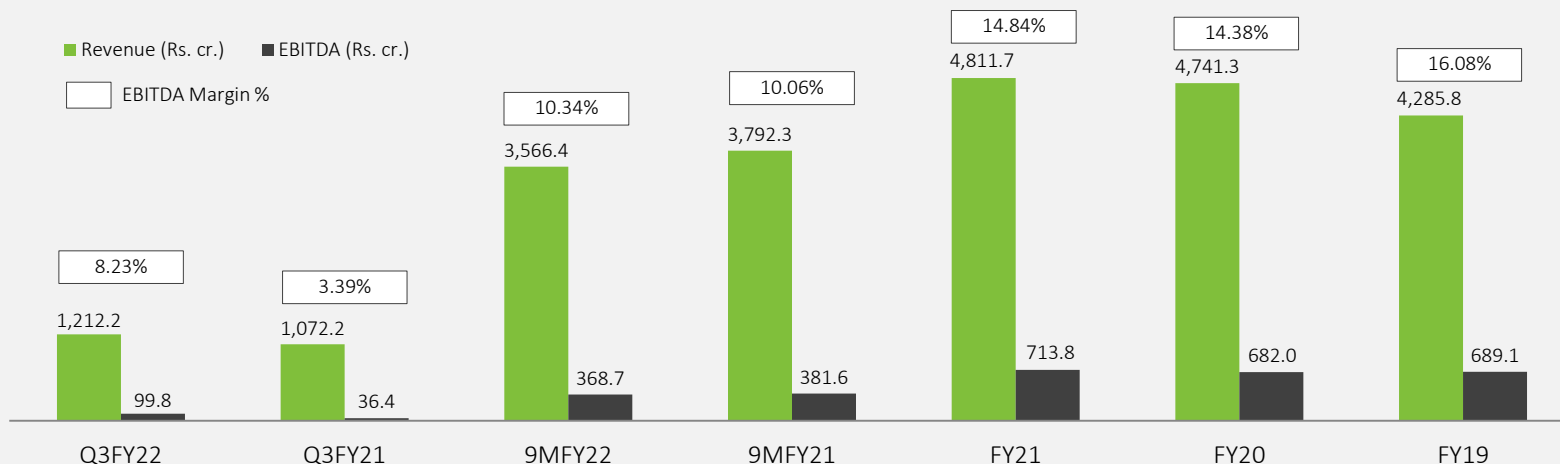
Q3 FY22 (Rs.Cr.)	Q3 FY21 (Rs. Cr.)	Change (%)	Particulars	9MFY22 (Rs. Cr.)	9MFY21 (Rs. Cr.)	Change (%)	FY21 (Rs. Cr.)	FY20 (Rs. Cr.)	FY19 (Rs. Cr.)
1212.15	1072.17	13.1%	Revenue from Operations	3566.42	3792.30	-6.0%	4811.66	4741.29	4285.78
99.78	36.40	174.1%	EBITDA	368.66	381.59	-3.4%	713.83	681.97	689.07
8.23%	3.39%	484 bps	EBITDA Margin (%)	10.34%	10.06%	28 bps	14.84%	14.38%	16.08%
27.99	28.14	-0.5%	Depreciation & amortization	85.45	84.11	1.6%	111.88	101.42	95.85
3.74	5.03	-25.7%	Finance costs	23.09	29.67	-22.2%	39.30	64.17	40.94
94.58	14.36	558.6%	Profit before tax	296.27	286.84	3.3%	596.11	554.93	595.03
7.80%	1.34%	646 bps	PBT margin (%)	8.31%	7.56%	75 bps	12.4%	11.7%	13.88%
23.49	-8.04	-	Tax	70.57	54.90	28.5%	126.34	45.65	24.39
0.09	-1.46	-	Other Comprehensive Income	0.24	-4.35	-	(0.56)	(7.01)	(5.14)
71.19	20.94	240.0%	Total Comprehensive Income	225.94	227.59	-0.7%	469.22	502.27	565.50
3.48	1.07	-	EPS (Rs.)	10.85	10.81	-	22.01	22.98	24.98

Foot notes

- Seasonal nature of the industry.
- Lower cane availability (in the sugar season 2020-21) is a one-off scenario.
- The Company is actively working on cane development / disease management activities.
- Following a sacrifice of sugar due to a conversion into Ethanol, there has been corresponding sacrifice of potential profit on the sacrificed sugar, resulting in enhanced profitability of the distillery segment.

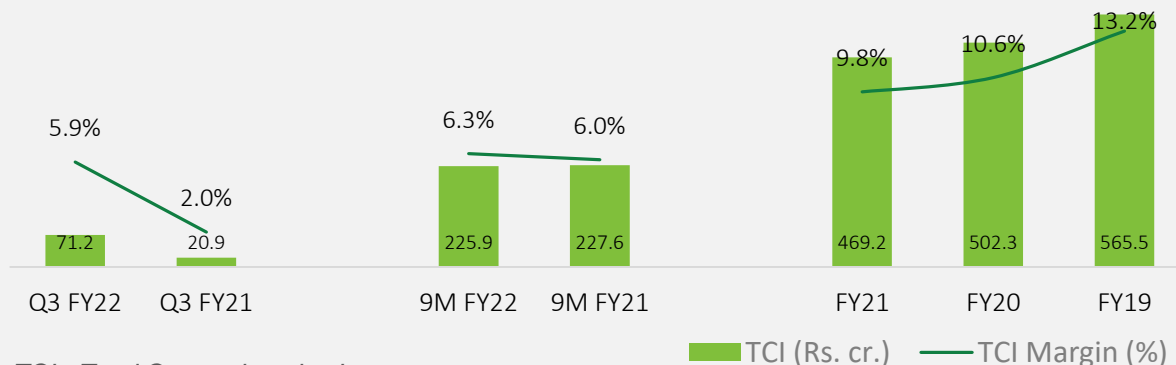
Outcome: In view of the aggressive diversion of cane towards B-heavy molasses route resulting in a sacrifice sugar for the production of Ethanol, a dependence on sugar export has declined.

Performance highlights (Standalone)



13.1% improvement in revenues in Q3FY22 over Q3FY21 due to higher sugar and distillery realizations inspite of lower sugar volumes

EBITDA was 174.2% higher in Q3FY22 over Q3FY21 due to improved realizations in the sugar and distillery segments.



TCI - Total Comprehensive Income

Since sugar is a seasonal industry, it is recommended that the performance of the Company be seen on an annualized basis and not on a quarterly basis.

TCI increased 240.0% in Q3FY22 over Q3FY21 owing to improved realizations.

'Attractively placed' Our management's overarching 5 messages, Q3FY22

- We are attractively placed to grow our business in a sustainable manner
- We are attractively placed to capitalize on any increase in sugar realisations
- We are attractively placed to enhance distillery revenues and profits
- We are attractively placed to grow our business through accruals (lower debt)
- We are attractively placed to enhance stakeholder value

The fine print behind our Q3 performance

Revenues



% improvement in revenues compared to Q3FY21 due to higher sugar and distillery realizations inspite of lower sugar volumes

Profits



% increase in EBITDA over Q3FY21



% increase in TCI over Q3FY21

Sugarcane diversion



% sugarcane diversion to B-heavy molasses in Q3FY22



% sugarcane diversion to B-heavy molasses in Q3FY21

Our Q3 performance explained

	Q3 FY22 (Rs. Cr.)	Q3 FY21 (Rs. Cr.)	Variance	Key reasons
Revenue from operations	1,212.15	1,072.17	13.06%	Led by higher sugar and distillery realizations inspite of lower sugar volumes
Other income	26.53	11.13	138.36%	Mainly on account of dividend (Rs. 14.92 crores) received from our associate company – Visual Percept Solar Projects Pvt. Ltd.
Cost of materials consumed	935.29	891.82	4.87%	Impact of a hike in SAP
Changes in inventories of finished goods, by products and work in progress	8.46	(1.48)	-	-
Employee benefit expense	82.52	73.10	12.89%	Impact of an annual increments
Finance cost	3.74	5.03	(25.65)%	Lower borrowings owing to a lower sugar inventory; faster conversion into cash due to increasing Ethanol volume and lower interest rates
Depreciation & amortization	27.99	28.14	(0.53)%	-
Other expenses	86.10	72.33	19.04%	Mainly owing to higher rates
Tax expense	23.49	(8.04)	-	-
Other comprehensive income	0.09	(1.46)	-	Impact of actuarial valuation – Return on plan assets

PART TWO

This is how our principal businesses performed

Business overview Sugar

86.43

% of our
Company's
revenues, Q3,
FY22

1123.35

Rs. cr. revenues
in Q3 FY 22

1007.63

Rs. cr. revenues
in Q3 FY 21

11.5% increase

3 factors influencing our sugar business perspective

- 1 Quantum and quality of cane from our command areas (play on yield and cane development activity)
- 2 Crushing efficiency (based on management responsiveness, climatic impact and cane quality)
- 3 Our decision to divert cane away from sugar and towards our distillery business

Policy interventions by the Indian government

FRP: Fair & Remunerative Price (FRP) of sugarcane for the sugar season 2021-22 revised to Rs. 290 per quintal from Rs.285 per quintal (linked to a basic recovery of 10%).

SAP: State Advised Price (SAP) of sugarcane for sugar season 2021-22 for Uttar Pradesh increased by Rs. 25 to Rs 350 per quintal (for the early cane variety, revised after 4 years).

MSP: Minimum Selling Price of sugar was Rs. 29 per kg in June 2018 and Rs. 31 per kg in February 2019. Due to a sugar surplus, MSP is expected to continue (Group of Ministers' recommendation to revise to Rs. 33 per kg is awaiting Cabinet approval).

Stock Holding: Stock holding limits on mills regulates sugar supply, supporting local prices.

Export: Export quota of 6 MMT of sugar from India was announced for Sugar Season 2020-21, with a competitive WTO-compliant financial assistance. No quota has been announced for the current year even though export contracts of over 4.5 million tonnes have been executed so far.

Duties: Higher customs duty on sugar imports; sugar export attracts zero customs duty.

This is what our sugar business achieved

11.5% improvement in sugar segment revenues in Q3 (compared with Q3 FY21)

0.7% decline in sugar sales volumes when compared with Q3 FY 21

11.9% increase in average sugar realizations in Q3 (compared with Q3 FY21)

Bottomline: Higher sugar realizations were partly off-set by lower sugar volumes

Inventory size



Inventory valuation



Segmental overview – Sugar

Financial data	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Segment Revenues*	(Rs. cr.)	1123.35	1007.63	11.50%	3089.57	3387.2	-8.80%	4351.68	4423.26	3822.44
Segment PBIT	(Rs. cr.)	45.9	-18.86	-	67.05	99.1	-32.30%	329.47	389.04	338.41
PBIT %	%	4.09%	-1.87%	-	2.17%	2.93%	-25.80%	7.57%	8.80%	8.85%

* Includes	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Revenue from the physical export of sugar	(Rs. cr.)	52.2	-	-	65.2	134.58	-51.55%	139.75	548.53	354.13
Financial assistance from the Government on exports accounted under 'Other Operating Revenues'	(Rs. cr.)	-	-	-	72.76	56.17	29.50%	136.77	272.25	49.31

* The Company fulfilled its export obligations under MAEQ for 2020-21. However, owing to a part of physical exports being completed in July 2021, financial assistance was booked in the current year and reflected in our 9MFY22 results.

Segmental Overview – Sugar ... continued

Operational data	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Sugarcane Crushed *	lac qtls.	259.54	263.21	-1.40%	302.86	463.98	-34.73%	1,032.61	1,020.30	1,103.62
Cane diverted towards B-heavy molasses	lac qtls.	183.41	179.21	2.34%	218.00	283.58	-23.12%	675.56	327.00	-
Cane diverted towards B-heavy molasses	%	70.70%	68.10%	-	72.00%	61.10%	-	65.40%	32.00%	-
Sugar Recovery (post B-heavy diversion)	%	9.61%	9.77%	-	9.85%	10.33%	-	10.63%**	11.44%**	11.58%
Sugar Recovery (pre B-heavy diversion)	%	10.93%	10.98%	-	11.18%	11.39%	-	11.77%	11.93%	11.58%
Sugar sacrificed	lac qtls.	3.42	3.25	5.23%	4.03	4.91	-16.24%	11.73	5.10	-
Sugar Produced (net of sacrifice)	lac qtls.	24.94	25.72	-3.00%	29.83	47.94	-37.78%	109.79	116.73	127.81
Domestic Sales	lac qtls.	25.66	27.36	-6.19%	76.22	88.40	-13.79%	107.68	94.46	98.63
Exports Sales	lac qtls.	1.50	-	-	1.90	5.38	-64.68%	5.58	26.07	16.67
Total Sugar Sales	lac qtls.	27.16	27.36	-0.71%	78.12	93.78	-16.70%	113.26	120.53	115.30
Average Realization – Domestic sugar sale	Rs./kg	36.40	32.45	12.20%	34.76	32.43	7.19%	32.37	32.91	30.96
Average Exports Realization*/ (excluding Government assistance)	Rs./kg	34.80	-	-	34.32	25.03	37.12%	25.16	21.05	21.24
Sugar Realization – Blended	Rs./kg	36.32	32.45	11.93%	34.75	32.00	8.58%	32.01	30.34	29.55

Sugar inventory as on 31st December 2021 comprised 15.53 lac quintals valued at an average Rs. 34.54 per kg as against 21.36 lac quintals as on 31st December 2020 valued at an average Rs. 31.51 per kg.

* Lower cane availability during the season 2020-21 owing to weather conditions and red rot disease.

**Lower recovery (post diversion) was due to a high percentage of sugar sacrifice.

*/ Without considering any transport expense for physical exports.

Movement in sugar costs and valuation (Rs./qtl. of sugar)

Q3 FY22



Cane Crushed (lac qtls.) – 259.54
Sugar Produced (lac qtls.) – 24.94

9M FY22



Cane Crushed (lac qtls.) – 302.86
Sugar Produced (lac qtls.) – 29.83

Note:

Cost of production (including cane cost) was net of credit for bagasse, molasses and pressmud.

Sugar inventory was valued at lower of net realizable value (NRV) or cumulative year to date costing

Transfer price of bagasse was Rs. 1400 per MT; and
Transfer price of B-heavy molasses was Rs. 10300 per MT

It is suggested that our performance should be appraised on an annual basis and not on a quarterly basis because of the seasonal nature our industry.

Q3 FY21



Cane Crushed (lac qtls.) – 263.21
Sugar Produced (lac qtls.) – 25.72

9M FY21



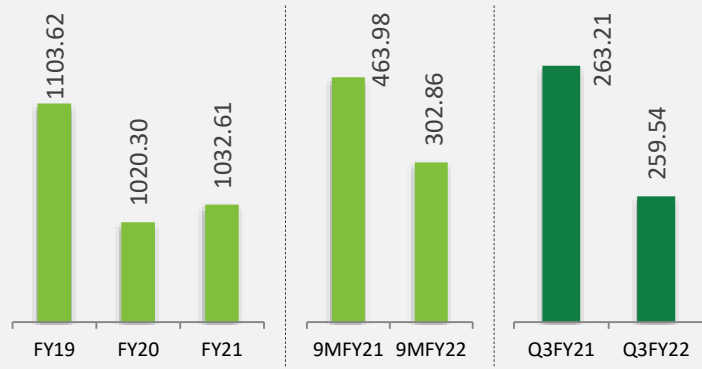
Cane Crushed (lac qtls.) – 463.98
Sugar Produced (lac qtls.) – 47.94

12M FY21

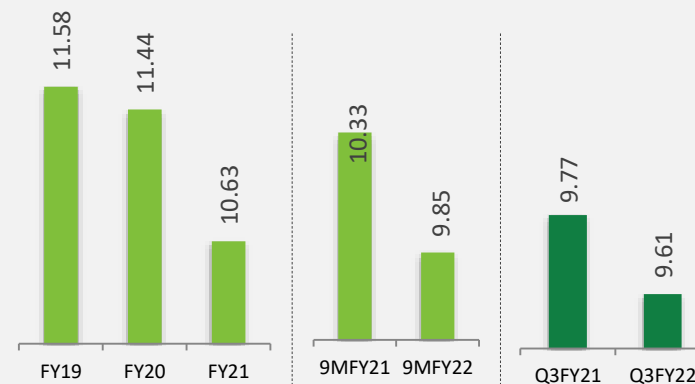


Cane Crushed (lac qtls.) – 1032.61
Sugar Produced (lac qtls.) – 109.79

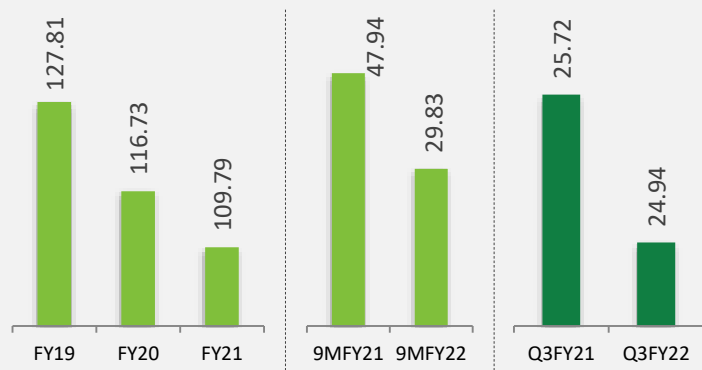
A quick rewind



Sugar cane crushed (lac quintals)



Sugar Recovery (%)
(post B-heavy diversion)



Sugar production (lac quintals)
(post B-heavy diversion)



Average realization of sugar
for domestic sale (Rs. Kg)

This is the outlook of our sugar business

Steady crushing has been achieved

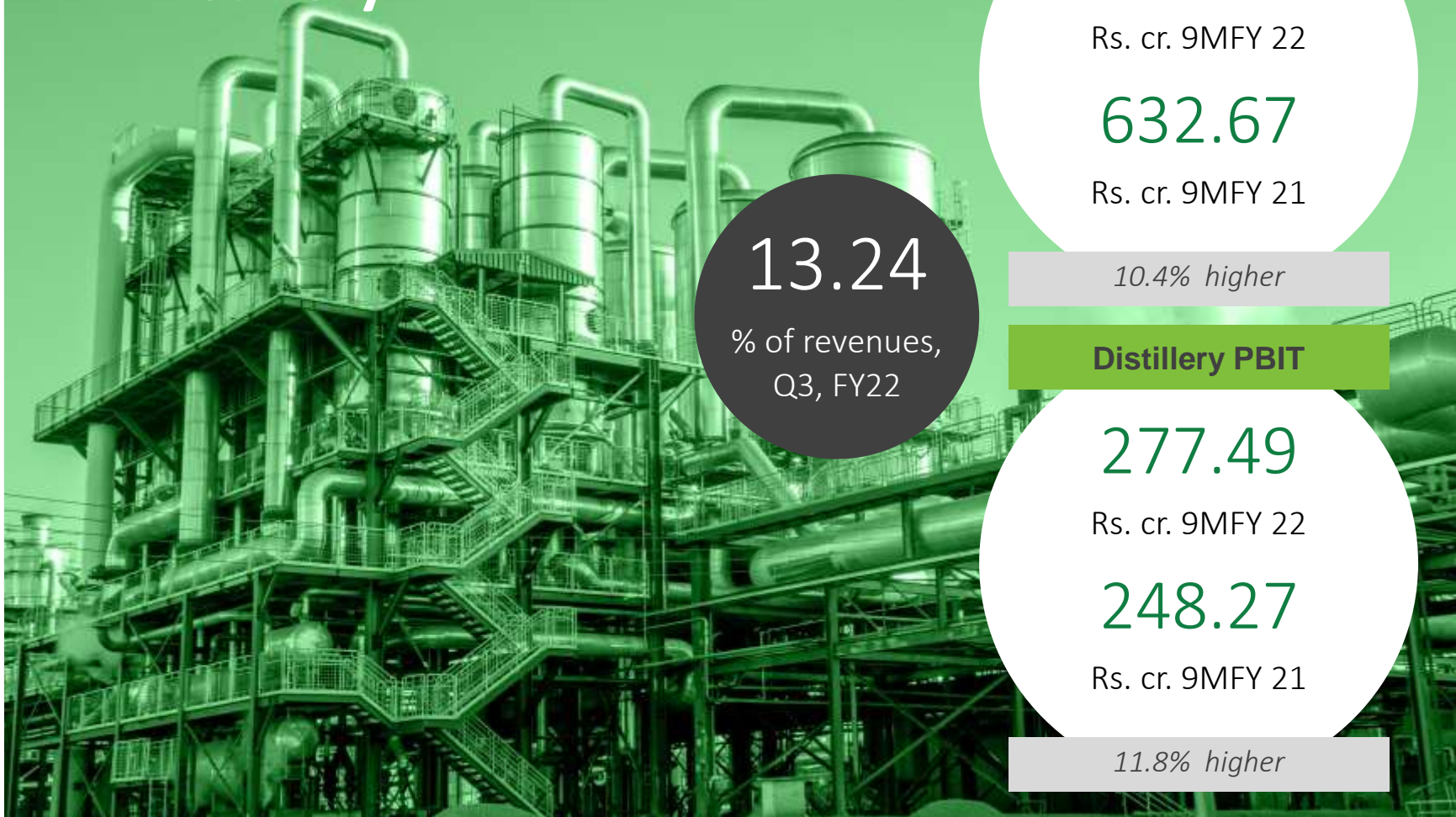
Expectation is ~5-7% more than the previous season

Asset modernization and upgradation are expected to be completed by November 2022

Relatively low incentive in our cogeneration business is on account of moderated tariffs

Focus on sweating existing assets

Business overview: Distillery



13.24
% of revenues,
Q3, FY22

Distillery revenues

698.59
Rs. cr. 9MFY 22

632.67
Rs. cr. 9MFY 21

10.4% higher

Distillery PBIT

277.49
Rs. cr. 9MFY 22

248.27
Rs. cr. 9MFY 21

11.8% higher

5 factors influencing our distillery business

- 1 Our decision to divert cane towards sugar or distillery operations
- 2 Our decision to select the route through which to manufacture ethanol
- 3 The ethanol purchase contracts we receive from oil marketing companies
- 4 Our ability to expand our overall distillery capacity on time; enhance utilization
- 5 Government support for pricing different feedstock and lower GST (5%) on ethanol

This is what our distillery business achieved

Accounted for 13.24% of our overall revenues (12.02%, Q3, FY 21)

Improvement in performance was the result of increased unit sales and higher per unit realizations

Production volume decreased 6.7 percent during 9M FY22 to 11.07 crore litres (11.86 crore litres in 9M FY21) due to one-off lower feed-stock use

Ethanol production decreased 6.3 percent to 9.79 crore litres in 9M FY22 (10.45 crore litres in 9M FY21)

Ethanol produced through the B-Heavy route increased from 5.92 crore litres in 9M FY21 to 9.03 crore litres in 9M FY22

Gularia distillery was commissioned by 40 KLPD to 200 KLPD from December 2021

Progress was achieved in the expansion programme (greenfield/brownfield) at Maizapur and Balrampur (November 2022 targeted commissioning)

Improved ethanol realizations

- Improved per unit realization for ethanol
- Improvement based on higher prices announced by the government
- Increased the proportion of EBITDA contributed by the ethanol business

Comparative ethanol price (Rs./BL)

Supply Period	C-route	B-route	Syrup	Damaged grain	Surplus rice
Dec 21 to Nov 22	46.66	59.08	63.45	52.92	56.87
Dec 20 to Nov 21	45.69	57.61	62.65	51.55	56.87

Segment overview – Distillery

Financial data	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Segment revenues *	(Rs. Cr)	172.10	137.99	24.70%	698.59	632.67	10.40%	841.52	566.38	495.82
Segment PBIT	(Rs. Cr)	51.01	49.26	3.60%	277.49	248.27	11.80%	344.09	264.19	322.87
PBIT %	%	29.64%	35.70%	-17.00%	39.72%	39.24%	1.20%	40.90%	46.65%	65.12%

* Includes	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Freight reimbursement on the sale of Ethanol	(Rs. Cr)	4.62	3.59	28.60%	18.94	17.29	9.50%	22.44	12.28	5.37
Transport charges incurred on sales booked on the expense side of the P/L account	(Rs. Cr)	7.67	7.46	2.80%	31.61	31.76	-0.50%	40.89	25.78	21.15
Net freight expenses	(Rs. Cr)	3.05	3.87	-21.20%	12.67	14.47	-12.50%	18.45	13.50	15.78
Incidence of net freight expenses per/BL of ethanol despatch	(Rs./BL)	1.18	1.56	-24.20%	1.15	1.29	-10.80%	1.27	1.24	1.46

Status of Ethanol contracts by the Company for the Ethanol Year 2021-22

B-heavy Ethanol (Cr. BL)	Q1	Q2	Q3	Q4	Total	C-heavy Ethanol (Cr. BL)	Q1	Q2	Q3	Q4	Total	Molasses Transfer Rate	Rs./MT
	(Dec-Feb)	(Mar-May)	(Jun-Aug)	(Sep-Nov)	(Dec-Feb)		(Mar-May)	(Jun-Aug)	(Sep-Nov)				
Contracted volume	5.12	4.28	2.84	2.57	14.81	Contracted volume	0.11	0.23	0.28	0.28	0.90	B- Heavy*	10300

* w.e.f. Oct. 2021

Segment overview – Distillery ... continued

Operational data	U.O.M.	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)	FY21	FY20	FY19
Ethanol Production from B-heavy route molasses	Cr. BL	1.59	1.18	34.70%	9.03	5.92	52.50%	10.18	3.58	-
Ethanol Production from C-heavy route molasses	Cr. BL	0.29	1.37	-78.80%	0.76	4.53	-83.20%	4.84	7.99	10.29
Total Ethanol Production	Cr. BL	1.88	2.56	-26.60%	9.79	10.45	-6.30%	15.02	11.57	10.29
Total Alcohol Production (including Ethanol, ENA & Others)	Cr. BL	2.34	2.99	-21.70%	11.07	11.86	-6.70%	17.06	12.76	10.66
Ethanol Sales from B-heavy route molasses	Cr. BL	2.33	1.01	130.70%	10.17	6.66	52.70%	9.59	2.56	-
Ethanol Sales from C-heavy route molasses	Cr. BL	0.26	1.48	-82.40%	0.84	4.56	-81.60%	4.94	8.37	10.79
Total Ethanol Sales	Cr. BL	2.59	2.49	4.00%	11.02	11.22	-1.80%	14.53	10.93	10.79
Sale of ENA / Sanitizer	Cr. BL	0.52	0.34	52.90%	1.51	1.52	-0.60%	1.99	1.01	0.31
Total Alcohol Sales (including Ethanol, ENA & Others)	Cr. BL	3.11	2.83	9.90%	12.52	12.74	-1.70%	16.52	11.94	11.10
Average Ethanol Realization from B-heavy route	Rs. /BL	58.10	56.58	2.70%	57.72	54.62	5.70%	55.53	54.27	-
Average Ethanol Realization from C-heavy route	Rs. /BL	45.82	43.81	4.60%	45.73	43.77	4.50%	43.92	43.49	41.68
Ethanol Realization – Blended	Rs. /BL	56.87	48.97	16.10%	56.82	50.21	13.20%	51.58	46.01	41.68
Average Realization of ENA / Sanitizer	Rs. / BL	19.81	24.69	-19.80%	22.13	24.66	-10.20%	24.78	30.39	27.92
Alcohol Realization – Blended (including Ethanol, ENA & Others)	Rs. /BL	50.66	46.04	10.00%	52.65	47.17	11.60%	48.35	44.69	41.29
Stock of B-heavy molasses	lac qtls.				8.21	8.67	-5.30%	21.96	9.37	-
Stock of C-heavy molasses	lac qtls.				2.30	2.46	-6.50%	6.73	18.13	21.76
Stock of B-heavy Ethanol	Cr. BL.				0.40	0.26	53.80%	1.58	1.02	-
Stock of C-heavy Ethanol	Cr. BL.				0.04	0.19	-78.90%	0.11	0.23	0.63

Segment overview - Distillery...continued



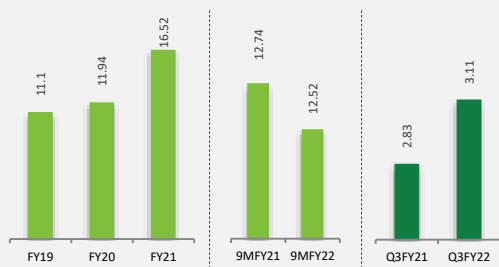
Total production *(Cr. BL)
*Includes ENA and other products



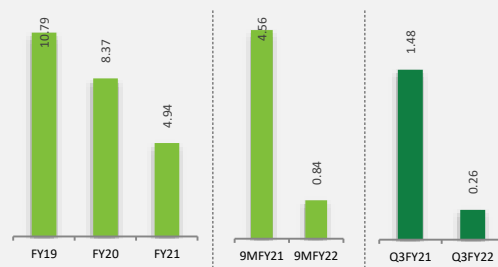
Ethanol production (Cr. BL)
from C-Heavy molasses route



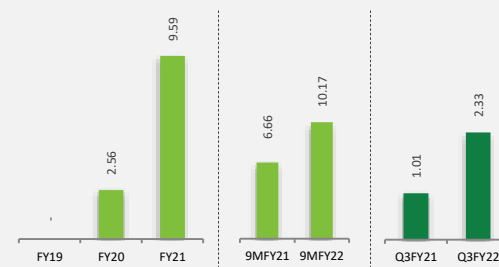
Ethanol production (Cr. BL)
from B-Heavy molasses route



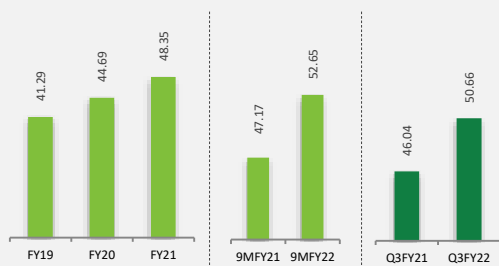
Total sales *(Cr. BL)
*Includes ENA and other products



Ethanol sales (Cr. BL)
from C-Heavy molasses route



Ethanol sales (Cr. BL)
from B-Heavy molasses route



Average Blended Realization- Alcohol (Rs. /BL) (including ENA/ Others)

Comparative price of Ethanol (Rs. /BL)

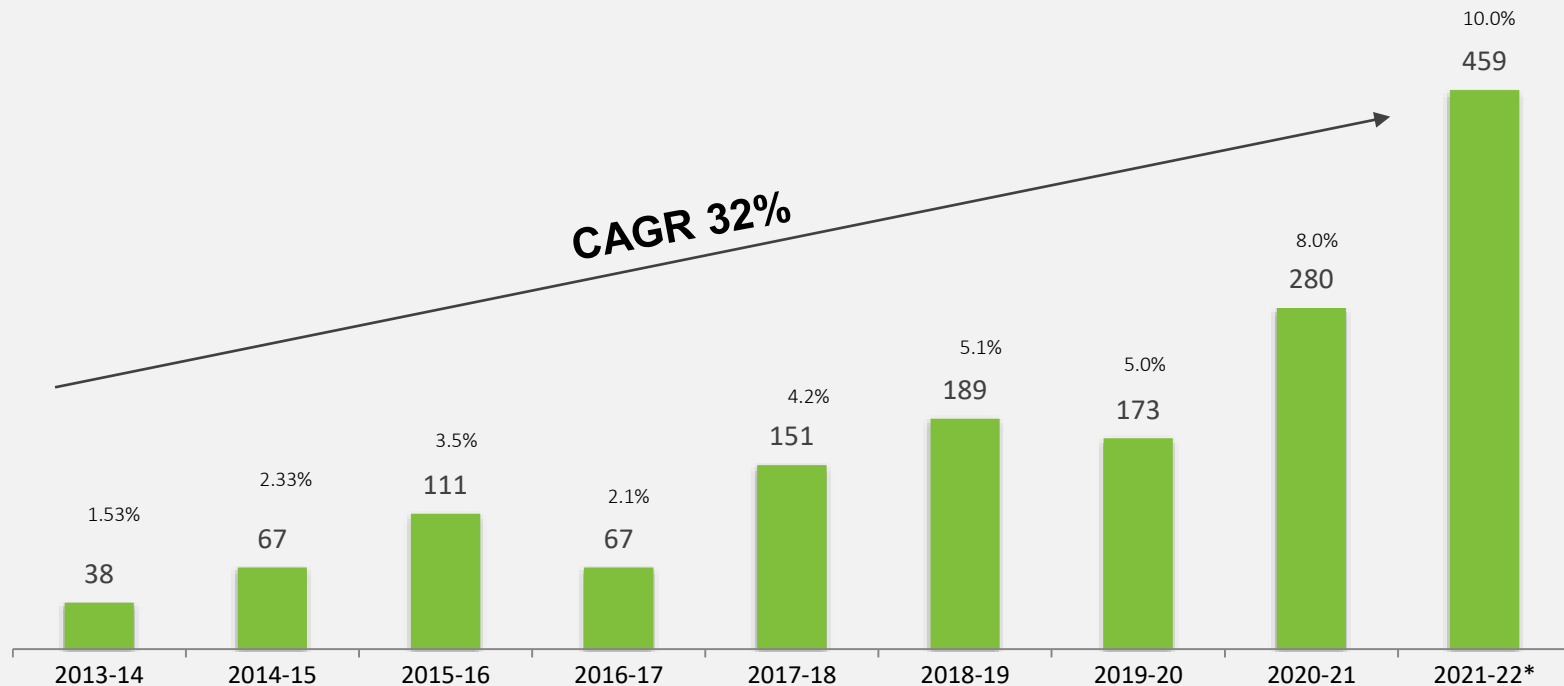
Supply period	C-route	B-route	Syrup	Damaged grains	Surplus rice
Dec 21- Nov 22	46.66	59.08	63.45	52.92	56.87
Dec 20- Nov 21	45.69	57.61	62.65	51.55	56.87

This is the outlook of our distillery business

- Profitable foundation for sustainable growth
- Encouraging long-term government policy on increasing the use of ethanol in India's vehicular fuel mix
- Projected increase in distillation capacity from 560 KLPD to 1050 KLPD (November 2022).
- Projected increase from 16.13% of the company's revenues in FY21 to 35% when all distillery expansions are completed

Rising fuel ethanol supply to meet growing Indian demand

Ethanol procurement by OMCs (crore litres)



* OMCs finalized tenders for 385.49 crore litres out of which 353.33 crore litres had been contracted till date

Government's growth ambition

India to achieve 20% blending of ethanol in petrol by 2025 with the following benefits:

- Eliminate India's dependence on sugar exports (target to sacrifice ~6 million tonnes of sugar by 2024-25)
- Soft loans through banks for encouraging new distillery capacities or the augmentation of existing capacities, which will facilitate higher ethanol production and reduce surplus sugar through the diversion of B-heavy molasses and direct cane juice/sugar syrup to ethanol.
- Reduce imported fuel dependence (savings ~\$4 billion forex i.e. Rs. 30,000 crs.)
- Cleaner environment through E20 fuel. Carbon monoxide emissions to be 50% lower in two-wheelers and 30% lower in four-wheelers. Hydrocarbon emissions 20% lower in both
- Additional income to farmers; infrastructural investment in rural areas
- Employment generation and health benefits
- Lower municipal solid waste management

Big numbers

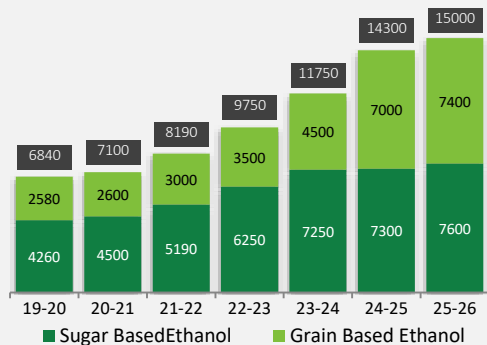
20

% ethanol blending with petrol, targeted for 2025

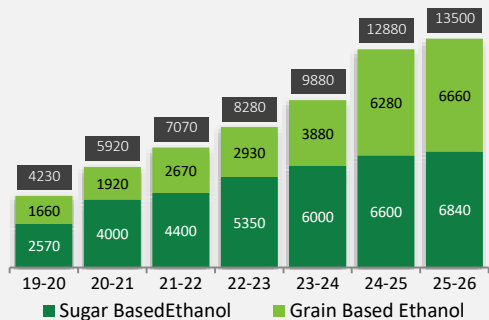
~1000

Crore litres of ethanol required to meet the target of 20% blending by 2025

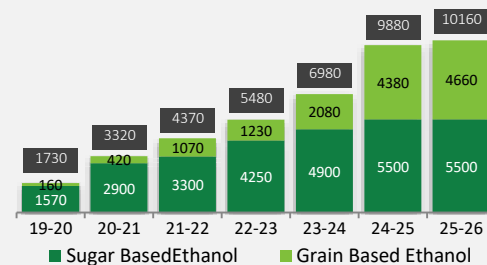
India's ethanol blending road map, 2025-26



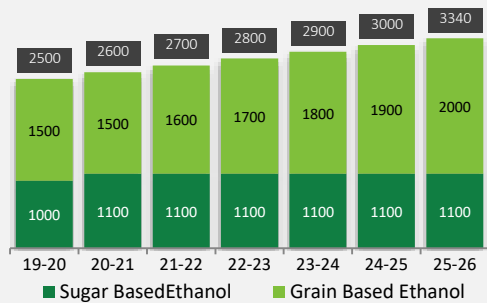
Distillation capacity (in million ltrs)



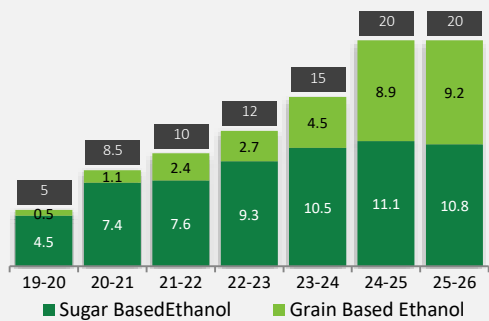
Ethanol demand (in million ltrs)



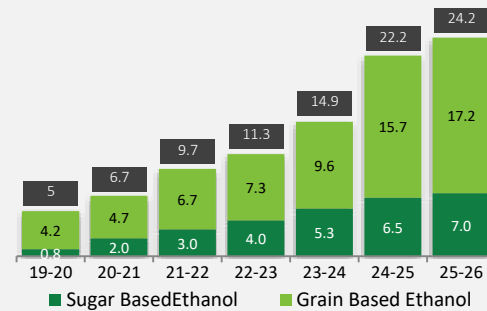
Ethanol available for fuel (in million ltrs)



Ethanol available for other uses (in million ltrs)



Ethanol Blend (%)



Sugar Diversion / Grain usage for Ethanol (MMT)

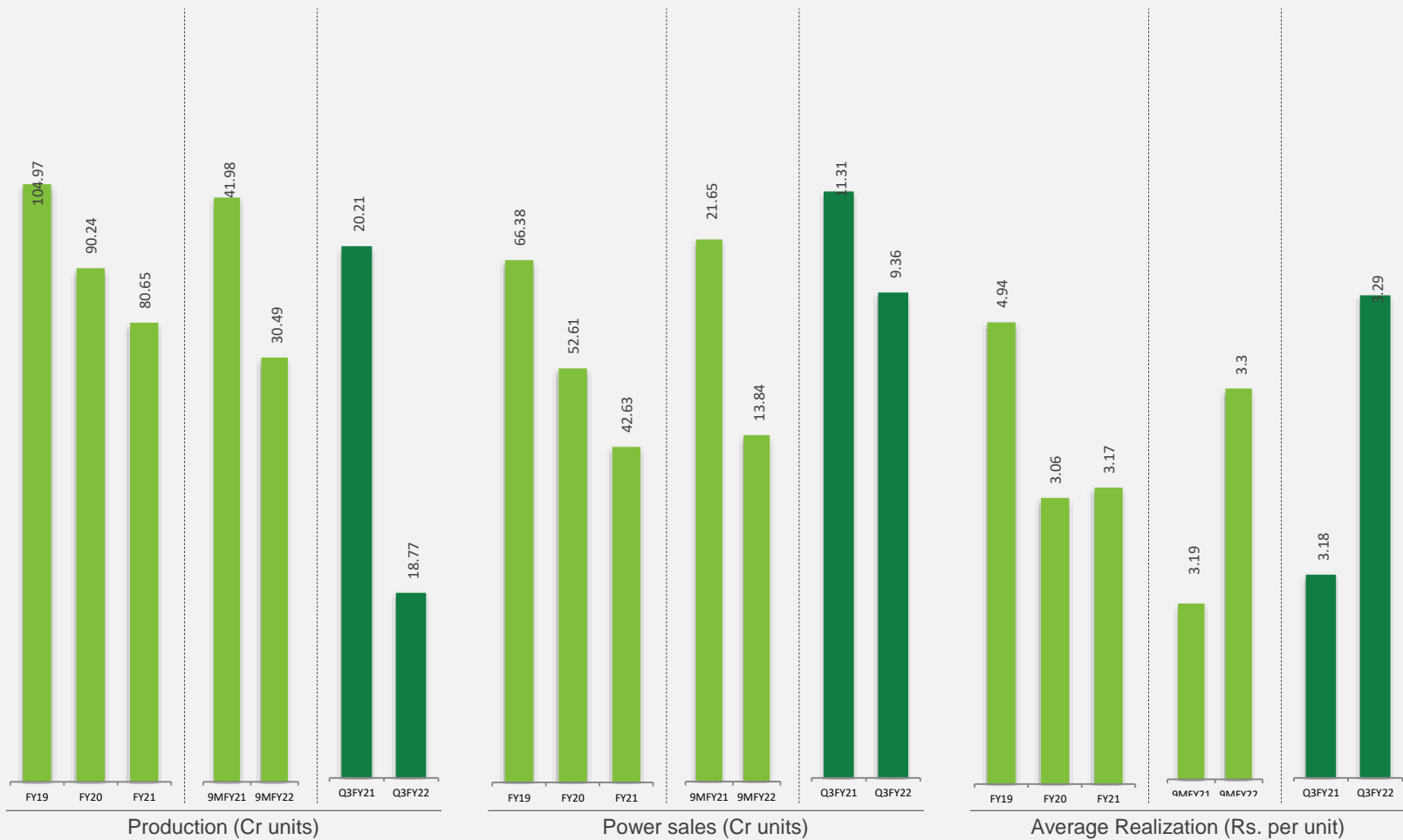
Source: Report of the Expert Committee, NITI Aayog | Ministry of Petroleum and Natural Gas

 = Total

Business overview: Cogeneration

On a review, being undertaken during the quarter, in terms of Ind AS 108 'Operating Segments', sugar and distillery have been identified as distinctive operating segments pertaining to the Company's operation and segmental information including for the previous periods and have accordingly been compiled/restated and disclosed in the results.

Co-generation – Operational data



PART THREE

Our treasury management

5 factors influencing our treasury management

- 1 Our product mix (to manufacture sugar or produce ethanol)
- 2 To sell sugar within India or export
- 3 The government's allocation of sugar sale quota to the company
- 4 The terms of trade related to sales
- 5 The cost of debt on the company's books / external credit rating

How we strengthened our working capital management in Q3 FY 22

Reduced sugar inventories (following cane diversion to ethanol)

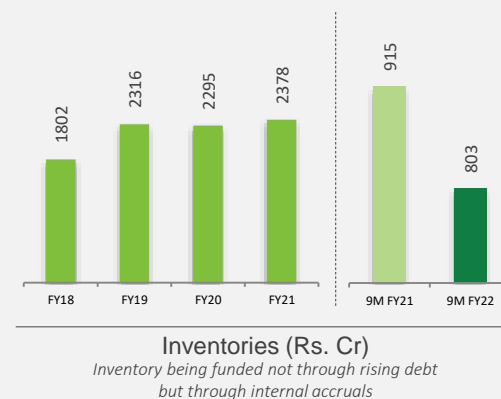
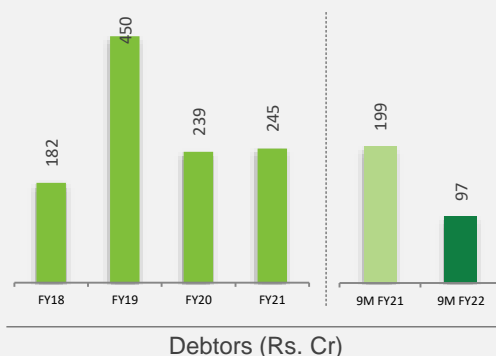
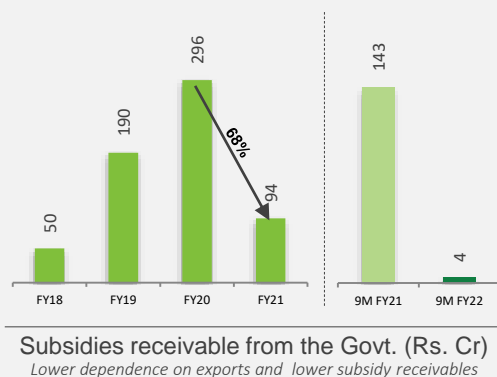
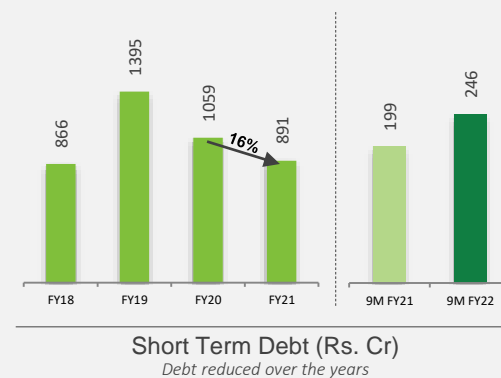
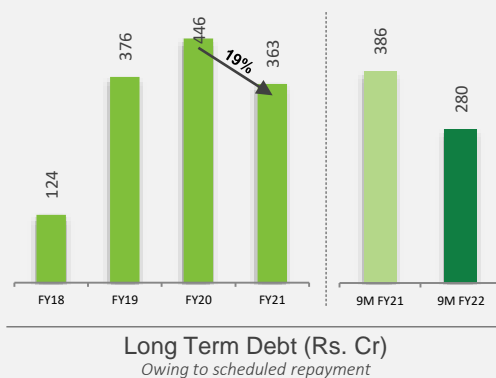
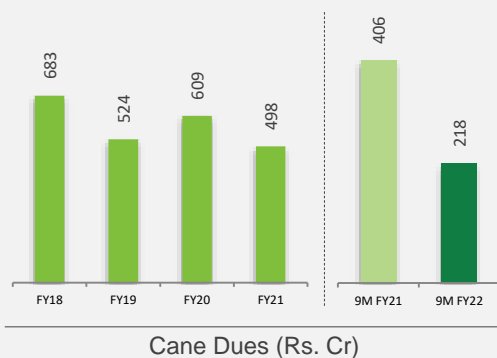
Moderated long-term debt; reduced dependence on short-term debt

Reduced export dependence; realized subsidies from the government

Reduced debtors sharply quarter-on-quarter

Eliminated cane dues

Major working capital components / Long-term debt



Cash & cash equivalents as on 31st December 2021 was Rs. 594.24 cr.

How we have managed our Rs. 2765 cr. cash flow (FY17 to FY21)

Capital expenditure

Rs. 751 cr.
(27.2%)

Dividend + Taxes

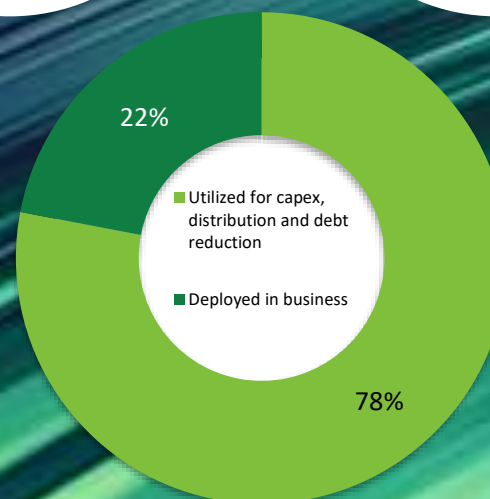
Rs. 362 cr.
(13.1%)

Buyback + Taxes

Rs. 644 cr.
(23.3%)

Debt repayment (Long Term & Short Term)

Rs. 408 cr.
(14.7%)



Cash flow analysis (standalone)

Rs. cr.

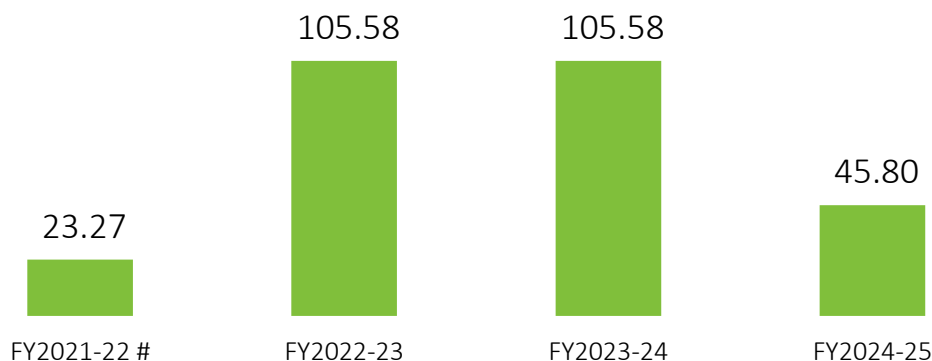
Particulars	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Profit before tax	332.18	595.03	554.93	596.11
Cash generated from / (used) in operating activities	1179.84	(523.01)	849.61	649.66
Net cash (used) in investing activities	(159.32)	(159.20)	(304.71)	(81.82)
Net cash (used) / generated in financing activities	(1020.10)	681.88	(545.52)	(568.89)
Cash & cash equivalents as on reporting date	2.45	2.12	1.49	0.45

In March 2018, our sugar inventory was valued at Rs. 26.80 per kg whereas the cost of production was Rs. 31.08 per kg. During June 2018, Central Government introduced the concept of Minimum Selling Price (MSP) of sugar. This policy change/intervention resulted in sustainable revenues and profit while negating variations and induced cyclicity now clearly visible in view of sustained profitability.

Treasury management update

- CRISIL upgraded BCML's long-term credit rating from AA (Positive) to AA+ (Stable) and re-affirmed the short-term rating at A1+
- As on 31st December 2021, long-term borrowings of the Company were Rs. 280.22 cr. at a low interest rate of ~3.60-5.00% (net of interest subvention)
- Debt repayment to peak at Rs. 105 cr. in FY 23 and FY 24 before declining

Yearly repayment schedule as per the terms of sanctions
(Rs. cr.)



For the balance period of the year

Interest and debt management

Increased debt repayment

Decline in interest outflow

Superior financial liquidity

Share buyback

5

Number of successive
share buybacks
in five years

59.6

Lakh shares, size of
the fifth share
buyback

361.14

Rs. per share,
average price of
share buyback

215.24

Rs. cr. aggregate
outflow in the fifth
share buyback

42.42

% shareholding of
BCML promoter
(from 41.21%)

PART FOUR

The global and Indian sugar sector overview

The company's sugar prospects are influenced by trends in the global and domestic sugar markets

Factors influencing global sugar industry trends

- 1 Global oil prices
- 2 Government policies catalyzing the shift from sugar to ethanol and sugar export
- 3 Climatic impact on sugar production in Brazil, India, EU & Thailand, among the largest sugar producers in the world
- 4 Global sugar consumption

Global sugar Balance Sheet, 2020-21
(Estimated) (in million tonnes)

Opening	97.6
Production	169.0
Consumption	173.8
Closing	92.8

Global sugar Balance Sheet, 2021-22
(Projected) (in million tonnes)

Opening	92.8
Production	172.5
Consumption	175.0
Closing	90.3



Million tonnes,
global sugar
production, 2020-
21



Million tonnes
(estimated), global
sugar production,
2021-22

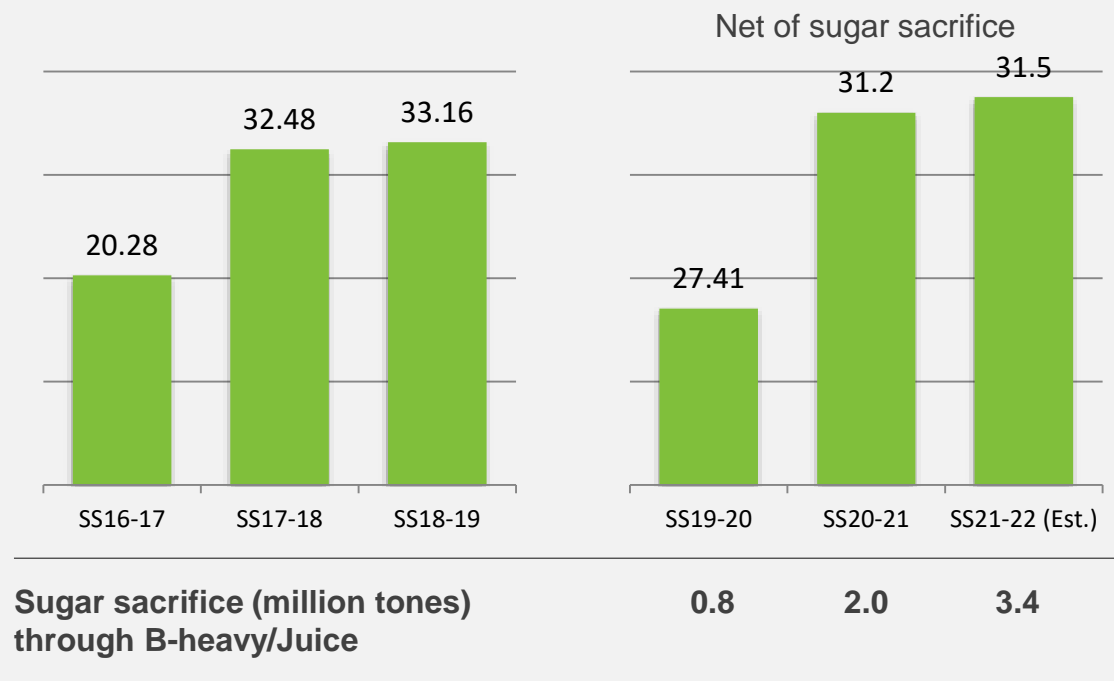
Conclusions

Decline in global sugar inventory

Possibility of firm sugar realizations

Attractive export possibilities from India

India: World's second largest sugar producing country



India's sugar production (MMT)

India's sugar inventory
is correcting
downwards

Domestic sugar Balance Sheet (million tonnes)

Sugar season, 2020-21

SS 21 Opening	10.7
Production	31.2
Domestic consumption	26.5
Exports	7.2
SS 21 Closing	8.2

Sugar season, 2021-22 (estimated)

SS 22 Opening	8.2
Production	31.5
Domestic consumption	27.0
Exports	6.0
SS 22 Closing	6.7

Outcomes of the declining national sugar inventory

- Strong sugar realisations

- Increased profitability of the sugar business

- Superior prospects of integrated sugar companies

PART FIVE

How BCML expects to capitalise on a transforming national industry scenario

Our objective: Emerge as India's leading sugar and energy company

- Integrated business model (sugar > distillery)
- Investment in scale; complement of 10 manufacturing facilities in East and Central Uttar Pradesh
- Accelerated distillery capacity expansion; 18.39 % of ethanol revenues in 9M FY22 in the overall revenue mix to increase to ~35% post commencement of operations of distillery capacities
- Extensively under-borrowed
- Execution competence (management stewardship, stakeholder value creation, operational efficiency, innovation and prudent capital allocation)
- Focus on stakeholder value-creation (environment, resource providers, investors, lenders, customers and employees)

Preparing for the next growth phase (upto November 2022)

Setting up a new distillery in Maizapur

Increase in the capacity of Balrampur distillery from 160 KLPD to 330 KLPD

Modernization of the sugar operations at some of the sugar units

Commissioning of sugar refineries at two more sugar units

Big numbers



Rs. cr. total projected capex



Rs. cr. to be borrowed from banks (average cost ~5.05-5.70% out of which certain portion will be eligible for 50% interest subvention)



Rs. cr. to funded through accruals

PART SIX

ESG and enhanced stakeholder value

Completed five consecutive buy-backs in five years

Net payout to shareholders of Rs. 1126.03 cr. (excluding distribution taxes) in 5 years through dividends and buy-backs

Actively engaged on the ESG front

The Board of Directors on 2nd Feb, 2022 declared an interim dividend of Rs. 2.50 per Equity Share of Re. 1/- each, aggregating to Rs. 51.01 cr.



Our ESG vision: To retain our position as one of the most respected ESG-driven companies in India's sugar sector

Our focus

Reconciling Environment (E) and Social (S) with Governance (G)

Enhancing multi-stakeholder value

Decoupling carbon footprint from business growth

Building for the long-term

Our ESG framework

Environmental

- Approach woven around Plan-Mitigate-Adapt-Resilience
- Reduce energy intensity
- Reduce greenhouse gas emissions
- Protect bio-diversity
- Moderate carbon footprint intensity
- Adopt 5R's (Replace, Reuse, Recycle, Reduce and Renewable)
- Achieved zero waste to landfill and zero-effluent discharge targets

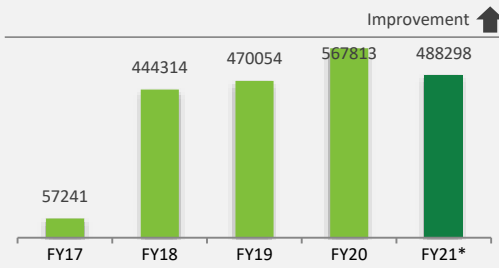
Social

- Business transformation accelerated by a passionate team
- Large workforce with passionate & experienced work culture
- Investment in training to enhance efficiency
- Employee health & wellness
- Deepened relationships with vendors and primary customers
- Engaged with the community around manufacturing locations

Governance

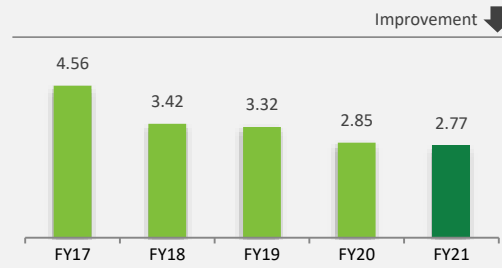
- Our governance platform comprises a strategic clarity on the way we intend to do business
- Diversified Board with two women Directors
- Various committees (Audit, Nomination & Remuneration, Risk Management, CSR and Stakeholder Relationship)
- High information reporting transparency
- Driven by codes and values (Whistle Blower Policy, Anti-Bribery, Insider Trading and Fair Disclosure).
- Investing deeper in ESG

Our ESG achievements

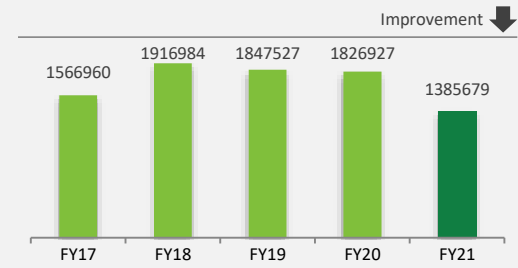


Water re-cycled (in cubic metres)

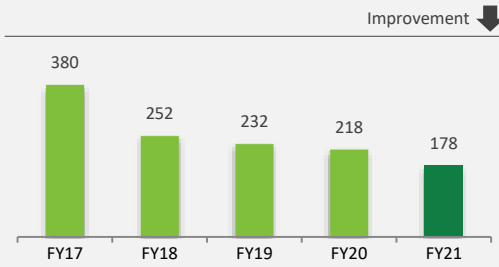
*Lower sugarcane crushing resulted in lower re-cycling of water



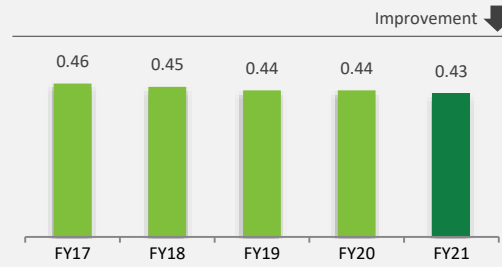
Non-hazardous waste (Kgs./Mt)



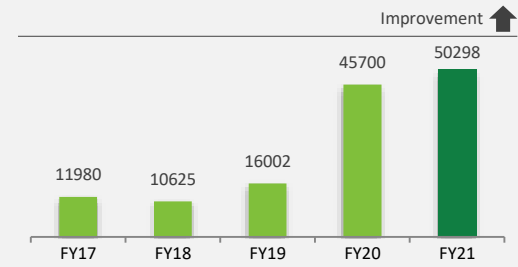
Water effluents emission (cubic metres)



Groundwater drawal (in litres/MT of cane)



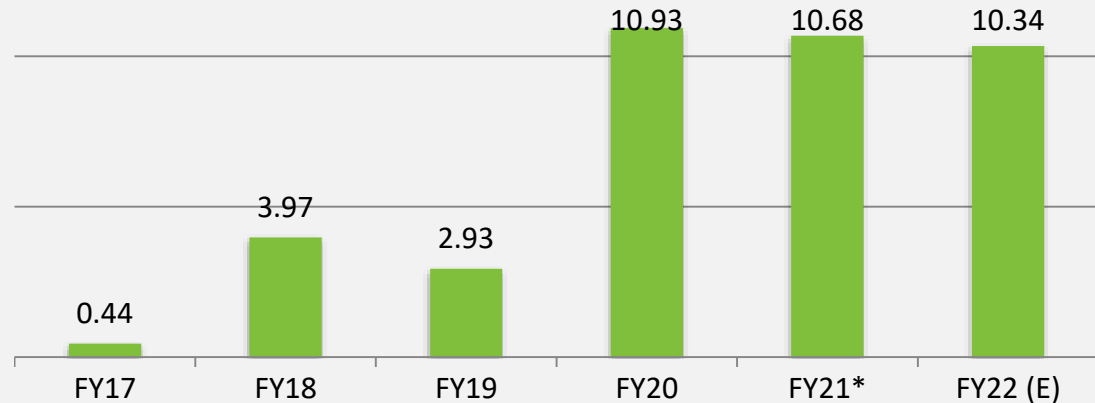
Steam consumption (per MT of cane)



No of trees/ saplings planted (units)

BCML: A socially conscious corporate citizen

5-year CSR spend (Rs. cr.)



* The Company's mandatory target under CSR spend was Rs. 9.67 crores

Empowerment

- 1050 women trained in retail assistance
- 706 women earning
- ₹10,850/month

Agriculture

- 3500+ farming equipment distributed
- 37.8% increase in farmer income

Environment

- 44 acres land afforested in 119 villages
- 150,000+ trees planted

Education

- 75,000+ students reached
- 55 Schools supported for improving infrastructure

Health & community development

- Health check-up and support for 25,936 individuals
- Community interventions for 2,70,000 persons

Our governance framework

Focus on de-risking coupled with controlled growth

Engagement of an experienced Board of Directors

Investment in digitalisation, processes and systems

Board of Directors



Sumit Mazumder

Chairman & Independent Director

- Executive Chairman and Managing Director of TIL Limited
- Former President of Confederation of Indian Industries (CII)
- MBA from Sam Houston State University (USA)



Vivek Saraogi

Managing Director

- Former President of the Indian Sugar Mills Association
- Former committee member of FICCI & the Indian Chamber of Commerce in Kolkata
- Under his stewardship, the Company has grown rapidly through organic and inorganic means enabling BCML emerge as a leader in the Indian sugar industry
- Mr Saraogi is a Commerce Graduate



Dinesh Kumar Mittal

*(Retd. IAS)
Lead Independent Director*

- Director in reputed companies like Bharti Airtel, Max Financial Services, Trident etc.
- Former Secretary of Department of Financial Services and Ministry of Corporate Affairs
- M.Sc. (Physics) with specialization in electronics from the University of Allahabad and a former Gold Medalist I.A.S. Officer of 1977 Batch



Veena Hingarh

Independent Director

- Director in South-Asian Management Technologies FZC, Dubai, TIL Limited and South Asian Management Technologies Foundation, a National State Board of Accountancy (USA) accredited institution
- Has over 20 years of result-oriented consultancy and corporate training experience
- CA, CS, Certified Information System Auditor & Masters in Science

Board of Directors



Krishnava Dutt

Independent Director

- Managing Partner of Argus Partners and Director in reputed companies like Tata Metaliks, Tata Steel BSL Limited, etc.
- He has been identified by India Business Law Journal as one of India's top 100 lawyers.
- His experience encompasses the entire repertoire of corporate practice including mergers and acquisitions, private equity, banking & finance projects



Mamta Binani

Independent Director

- Chairperson of Merchant Chamber of Commerce- Legal Affairs Council and Co-Chair of the Restructuring Committee of Stressed Assets of Indian Chamber of Commerce and Director in many listed companies.
- Former National President of the Institute of Company Secretaries of India (ICSI) for the year 2016
- A law graduate and topper in CS examinations, she is the first registered Insolvency professional in the Country.



Naresh Dayal

*(Retd. IAS)
Non-executive Director*

- Worked with the Government of India for 37 years in various positions at the state and national levels
- As Secretary, Ministry of Health and Family Welfare, he was responsible, for all policies & programmes in the realms of Public Health.
- Masters' degree in Arts from University of Delhi and in Professional Studies, Agriculture from University of Cornell, USA.



Dr. Arvind Krishna Saxena

Whole-time Director

- Experience spans more than 39 years and is associated with the Company since 2002
- Held prestigious positions in various organizations & has also been associated with scientific and research
- M.Sc. and a Ph.D. (Botany) with a specialization in industrial mycology, bio-composting, mushroom production and processing from Horst, Holland

Shareholding pattern

Promoter Group's holding

Dec 20	Mar 21	June 21	Sep 21	Dec 21
41.21%	41.21%	41.21%	41.40%	42.42%

Foreign holding

Dec 20	Mar 21	June 21	Sep 21	Dec 21
20.06 %	21.57%	20.79%	20.89%	19.10%

Domestic mutual funds

Dec 20	Mar 21	June 21	Sep 21	Dec 21
12.60 %	12.61 %	13.87 %	13.39 %	14.04%

Qualified institutional buyers

Dec 20	Mar 21	June 21	Sep 21	Dec 21
0.23%	1.85%	1.82 %	1.24 %	2.17%

Resident individual

Dec 20	Mar 21	June 21	Sep 21	Dec 21
19.38 %	17.54%	17.06 %	16.47 %	16.99%

Others

Dec 20	Mar 21	June 21	Sep 21	Dec 21
6.52%	5.22%	5.26%	6.61	5.28%

Top 10 non-promoter shareholders as on 31st December 2021

Shareholder	% shareholding
Nippon Life India Trustee Ltd-A/C Nippon India (Under Various Funds)	4.8 %
L&T Mutual Fund Trustee Limited (Under Various Funds)	3.7 %
Goldman Sachs Funds - Goldman Sachs India Equity Portfolio	2.1 %
Abu Dhabi Investment Authority - Behave	1.6 %
Kotak Funds - India Midcap Fund	1.3 %
Kotak ESG Opportunities Fund (Under Various Funds)	0.8 %
Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	0.8 %
Vanguard Total International Stock Index Fund	0.8 %
Mahindra Manulife (Under Various Funds)	0.8 %
Ishares Core Emerging Markets Mauritius Co	0.7 %

Contact Us



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Registered Office

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Kolkata 700020.

For further information contact:

Pramod Patwari

*Chief Financial Officer,
Balrampur Chini Mills Limited*

Tel: +91 33 2287 4749.

Email: pramod.patwari@bcml.in

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