



## **BALRAMPUR CHINI MILLS LIMITED**

CIN - L15421WB1975PLC030118

REGD. OFF. : "FMC FORTUNA" 2ND FLOOR, 234/3A, A. J. C. BOSE ROAD, KOLKATA - 700 020  
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23rd June, 2020

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

Dear Sir/ Madam,

**Sub: Results Presentation**

Please find attached Results Presentation in relation to the Financial Results of the Company for the Quarter and Year ended 31st March, 2020, declared on 23rd June, 2020.

This is for your information and records please.

Thanking you,

Yours faithfully,

**For Balrampur Chini Mills Limited**

**Manoj Agarwal**  
**Company Secretary and Compliance Officer**

# Balrampur Chini Mills Limited









Q4 & FY20 Results Presentation

June 23, 2020



*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

<b>Timing</b>	12:00 noon on Wednesday, June 24, 2020
<b>Conference dial-in</b>	Primary number: +91 22 6280 1141 / 7115 8042
<b>Toll free Number</b>	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

## Operational efficiencies

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

## Management expertise

Strong management team with years of sugar industry experience

## Large Capacities

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

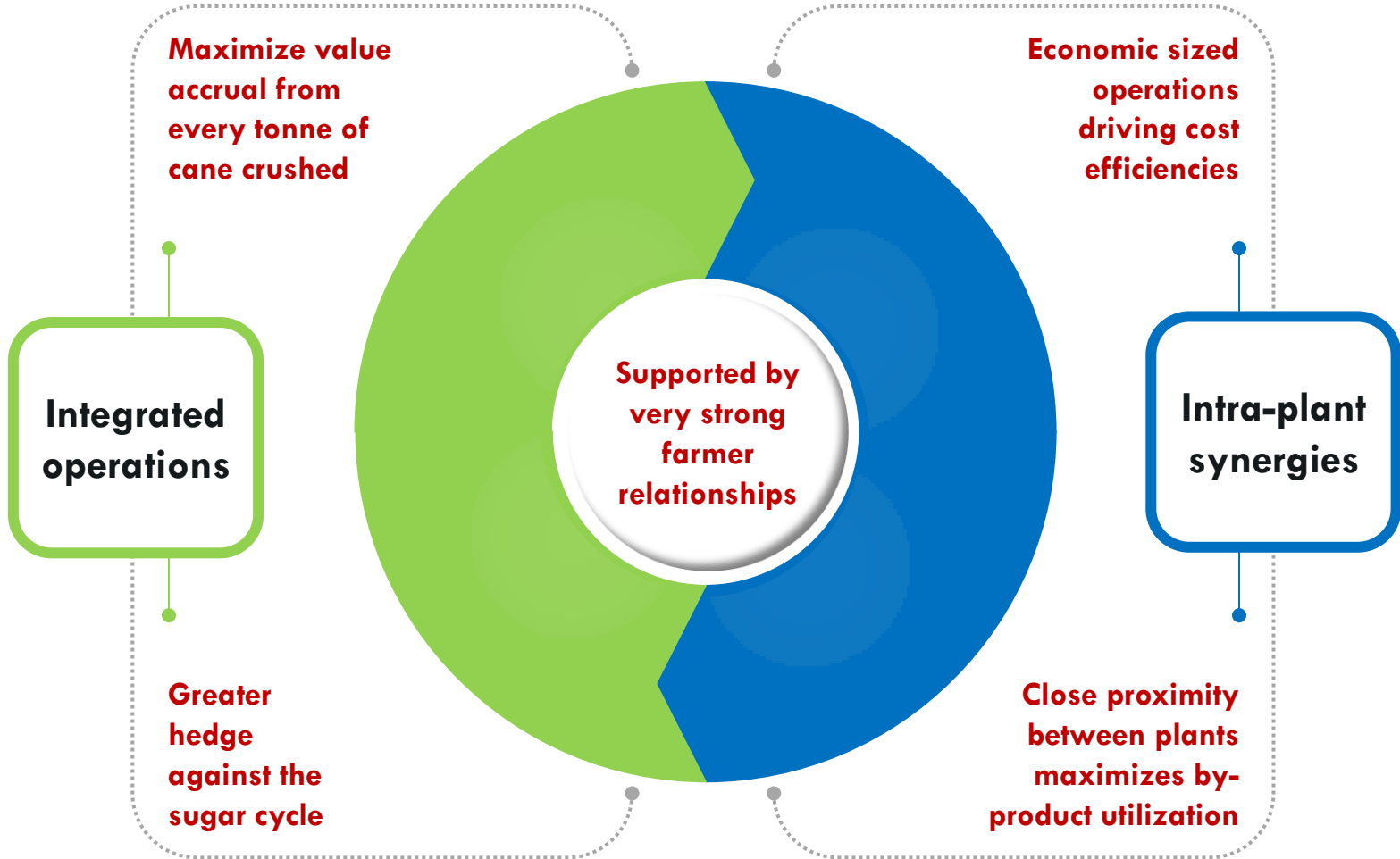
## Focus on Value Maximization

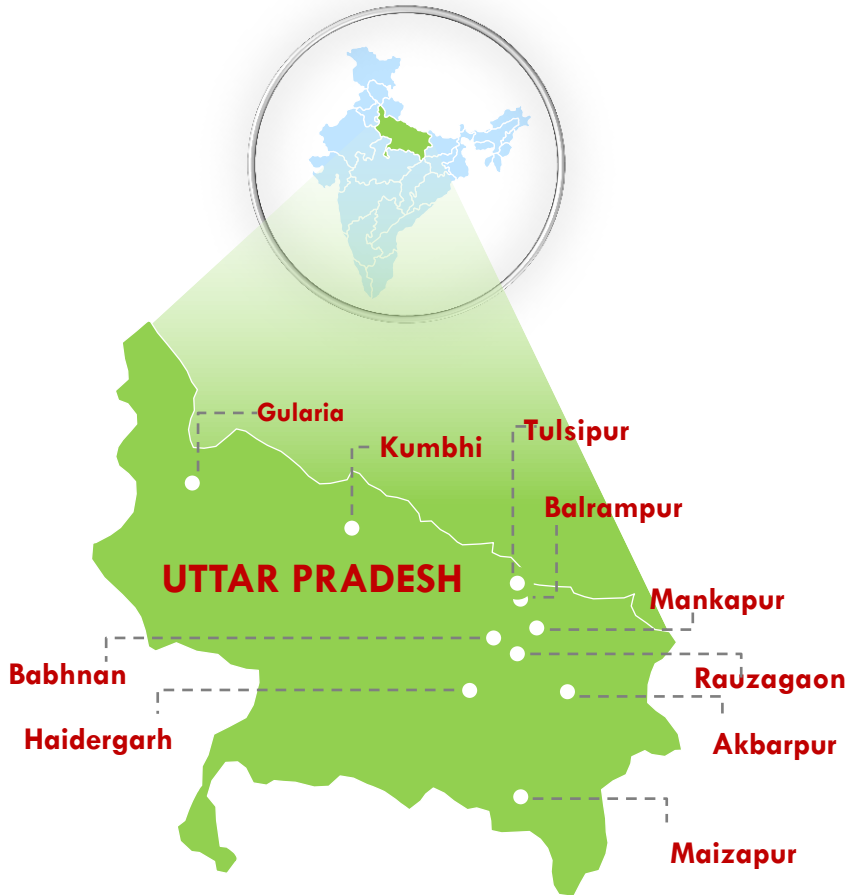
Sugarcane crushing capacity at 76,500 TCD, Distillery and Co-generation operations of 520 KLPD and 165.2 MW (Saleable) respectively

## Healthy Balance sheet

Long-term Debt-equity ratio stood at 0.19 as on 31st March 2020







Capacities under which Company operates its various facilities are as under:-

UNITS	Sugar Capacity (TCD)	Distillery (KPLD)	COGEN POWER (MW) SALEABLE CAPACITY
BALRAMPUR	12,000	160	27.25
BABHNaN	10,000	100	10.00
TULSIPUR	7,000	-	-
HAIDERGARH	5,000	-	20.95
AKBARPUR	7,500	-	11.00
MANKAPUR	8,000	100	30.00
RAUZAGAON *	8,000	-	23.00
KUMBHI	8,000	-	23.00
GULARIA**	8,000	160	20.00
MAIZAPUR	8,000	-	-
<b>TOTAL</b>	<b>76,500</b>	<b>520</b>	<b>165.20</b>

\* During the season, saleable cogeneration capacity is 16 MW

\*\* 160 KPLD Distillery facility commissioned on 12<sup>th</sup> January 2020 along with incinerator boiler





# Performance Highlights (Standalone)

## Q4 FY2020 highlights v/s Q4 FY2019

Revenue from operations stood at ₹ 1,74,004.71 lacs  
as compared to ₹ 1,32,733.75 lacs  
*(Growth of 31.1%)*

EBITDA at ₹ 24,133.29 lacs  
as compared to ₹ 25,841.45 lacs  
*(EBITDA Margin at 13.9%)*

Total comprehensive income (TCI) at ₹ 23,041.27 lacs  
as compared to ₹ 28,345.15 lacs  
*(TCI Margin at 13.2%)*

EPS at ₹ 10.67 per share for Q4 FY2020

## FY2020 highlights v/s FY2019

Revenue from operations stood at ₹ 4,74,129.40 lacs  
as compared to ₹ 4,28,577.51 lacs  
*(Growth of 10.6%)*

EBITDA at ₹ 68,196.93 lacs  
as compared to ₹ 68,907.41 lacs  
*(EBITDA Margin at 14.4%)*

Total comprehensive income(TCI) at ₹ 50,226.79 lacs  
as compared to ₹ 56,549.98 lacs  
*(TCI Margin at 10.5%)*

EPS at ₹ 22.98 per share for FY2020



# Management's Message

***Commenting on the performance for Q4 & FY2020, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:***

“I am glad to share that BCML has delivered excellent performance during the quarter and year ended 31<sup>st</sup> March 2020 despite the challenging environment prevailing in the sector. The sugar segment delivered a healthy performance on the back of higher volumes and steady realizations. The distillery segment delivered robust performance on account of higher volumes and better realizations. Our 160 KLPD distillery facility at Gularia commenced operations from 12<sup>th</sup> January 2020 which is expected to drive the segment's performance in the coming sugar season.

Sugar production in the country in the current season is expected to be ~27 million tonnes due to lower cane acreage and yield especially in Maharashtra and Karnataka. Domestic consumption inspite of initial impact of Covid-19 is expected to be ~25 million tonnes. Next years production is expected to be ~30-31 million tonnes, so the sugar inventory would continue to remain high. Going forward continuance of all existing policies is required, which have yielded desired results for all stakeholders.

All the manufacturing facilities of the Company continued to remain fully operational even during the lock-down period.

With prudent capital allocation, strong cash flows, improving macros, we are confident of creating sustainable value for all stakeholders going forward.”



# Company Highlights

- Company has successfully commissioned 160 KLPD Gularia distillery on 12<sup>th</sup> January 2020 which is fully Zero Liquid Discharge compliant.
- Company during Q4 has diverted 327.01 lac quintals of cane for producing B-heavy molasses, representing 38.3% of total cane of the current season till 31<sup>st</sup> March 2020.
- Long term and Short Term ratings of the Company stands at AA and A1+ respectively as assigned by ICRA and CRISIL.
- As on 31st March 2020 long term debt of the Company stands at ₹ 44,589.30 lacs which includes SDF Loan of ₹533.40 lacs @4% and balance are Term loans availed under State Government and Central Government which carries interest at subsidized rates. Repayment obligation towards term loan is very nominal going forward

Repayment of Term Loans	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2023-24
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
SDF	533.40	-	-	-	-
Other Loans	7,803.50	10,557.62	10,557.62	10,557.62	4,579.54
Total	8,336.90	10,557.62	10,557.62	10,557.62	4,579.54



# Central Government Initiatives for sugar season 2019-20

- **Announced creation of buffer stock of 4.0 million tonnes for a period of 1 year w.e.f. 1st August, 2019 in order to help the sugar industry from demand – supply mismatch. The carrying cost on the same is to be reimbursed by Central Government.**
- **Fixed Fair & Remunerative Price (FRP) for sugar season 2019-20 at ₹275 per quintal of sugarcane linked to a basic recovery of 10% – same as last year.**
- **Announced Maximum Admissible Export Quota of 6 million tonnes in order to address the demand-supply mismatch. Further in order to facilitate the exports thereby improving the liquidity position of sugar mills and enable them to clear cane dues notified the scheme for providing assistance @ ₹10448/M.T. to sugar mills for expenses on marketing costs including handling, upgrading and other process costs and cost of international and internal transport and freight charges. Also recently had re-allocated the quotas of non-exporting mills to the mills who were willing to export in order to achieve the target.**



- The regime of Minimum Selling Price (MSP) of sugar which was first time fixed at ₹29000/- per MT in June 2018 and further increased to ₹31000/- per MT in February 2019 also continued. MSP is the ex-factory price (excluding GST and transportation charges) below which no sugar mill can sell sugar in India.
- Stock holding limits on mills in the form of maximum monthly sale quota also continued.
- The pricing methodology for ethanol also remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which considers the price of sugar and FRP of sugarcane to calculate the ethanol procurement prices. The ethanol prices are delinked with the crude or petrol prices. Prices for ethanol for the supply period December 2019 to November 2020, were increased to Rs. 43.75, Rs. 54.27 and Rs. 59.48 per BL for Ethanol produced from C-heavy molasses, B-heavy molasses and Direct Cane Juice/Sugar syrup respectively as compared to Rs. 43.46, Rs. 52.43 and Rs. 59.13 per BL in the previous period.



# Financial Overview

Particulars	Q4 FY20	Q4 FY19	% Q-o-Q	FY20	FY19	% Y-o-Y
	(₹ in Lacs)	(₹ in Lacs)	Growth	(₹ in Lacs)	(₹ in Lacs)	Growth
Revenue from Operations	<b>1,74,004.71</b>	<b>1,32,733.75</b>	<b>31.1%</b>	<b>4,74,129.40</b>	<b>4,28,577.51</b>	<b>10.6%</b>
EBITDA	<b>24,133.29</b>	<b>25,841.45</b>	<b>-6.6%</b>	<b>68,196.93</b>	<b>68,907.41</b>	<b>-1.0%</b>
<i>EBITDA Margin (%)</i>	13.9%	19.5%		14.4%	16.1%	
Depreciation	2,735.53	2,356.18		10,141.73	9,585.13	
Finance Costs	1,730.75	1,374.14		6,417.02	4,093.51	
Profit Before Tax	<b>21,791.24</b>	<b>22,881.32</b>	<b>-4.8%</b>	<b>55,492.85</b>	<b>59,503.27</b>	<b>-6.7%</b>
<i>PBT Margin (%)</i>	12.5%	17.2%		11.7%	13.9%	
Tax	(1,961.57)	(5,901.05)		4,155.69	2,163.38	
Total Comprehensive Income	<b>23,041.27</b>	<b>28,345.15</b>		<b>50,226.79</b>	<b>56,549.98</b>	
EPS (₹)	10.67	12.51		22.98	24.98	

Revenue from operations during Q4FY20 and FY20 includes ~₹36798.92 lacs and ₹54852.57 lacs and on account of exports under MAEQ.

Lower EBIDTA and PBT during the quarter and year is on account of lower realization in Cogen segment as a result of reduction in power tariff by UPERC



# Financial Overview - Cash Flow - Summary

Particulars	FY20	FY19
	(₹ in Lacs)	(₹ in Lacs)
Profit before tax	55,492.85	59,503.27
Operating profit before working capital changes	71,065.63	71,744.66
Cash generated/(used in) from operations	94,884.13	(39,068.41)
Tax expense	(9,923.14)	(13,232.58)
Net cash generated/(used in) from operating activities	84,960.99	(52,300.99)
Net cash used in investing activities	(30,471.29)	(15,919.97)
Net cash (used in) / generated from financing activities *	(54,552.22)	68,187.57
Net (decrease)/increase in cash and cash equivalents	(62.52)	(33.39)
Opening cash and cash equivalents	211.76	245.15
Closing cash and cash equivalents	149.24	211.76

Company was able to generate significant amount of cash from operations in comparison to last year.

\* During FY20 Company distributed ₹21397.61 lacs (including dividend tax) to shareholders by way of dividend and buy-back



# Segmental Overview – Sugar

Financial	Segment Revenues	Segment PBIT	PBIT
	(₹ in lacs)	(₹ in lacs)	(%)
Q4 FY20	1,77,244.51	13,211.58	7.5%
Q4 FY19	1,26,568.60	7,852.69	6.2%
FY2020	4,51,310.62	34,422.17	7.6%
FY2019	3,82,158.77	16,616.65	4.3%

Operational	Sugarcane Crushed	Sugar Recovery *	Sugar Produced	Sugar Sold **	Average Realization Domestic Sale	Average Realization Exports (excluding Govt. assistance)
	(lac qtls.)	(%)	(lac qtls.)	(lac qtls.)	(₹/kg)	(₹/kg)
Q4 FY20	590.81	11.58%	68.41	45.35	32.23	21.66
Q4 FY19	594.14	11.99%	71.21	37.69	31.48	21.26
FY2020	1,020.30	11.44%	116.73	120.53	32.91	21.05
FY2019	1,103.62	11.58%	127.81	115.30	30.96	21.24

\* Achieved recovery after factoring in the loss on account of molasses produced under B-heavy route, for Q4FY20 and FY20 at 12.18% and 11.93% respectively

\*\* includes export sales

MAEQ subsidy of Rs. 17746.69 lacs and Rs. 27225.08 lacs during Q4 FY20 and FY20 accounted for under Other Operating Income

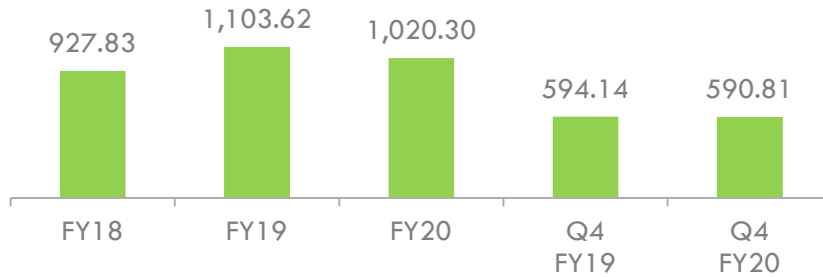
Sugar inventory as on 31st March 2020 was 68.48 lac qtls. valued at an average rate of ₹.29.49 per kg as against 72.37 lac qtls in previous year valued at an average rate of ₹.29.43 per kg.

Company was able to reduce sugar inventory due to diversion of sugarcane into B-heavy route to maximize Ethanol production as well as by export of sugar through merchant exporter.

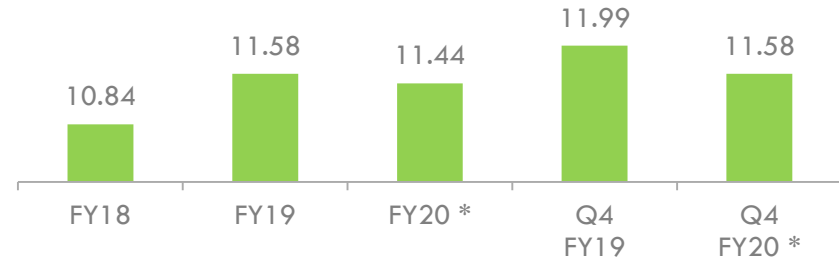




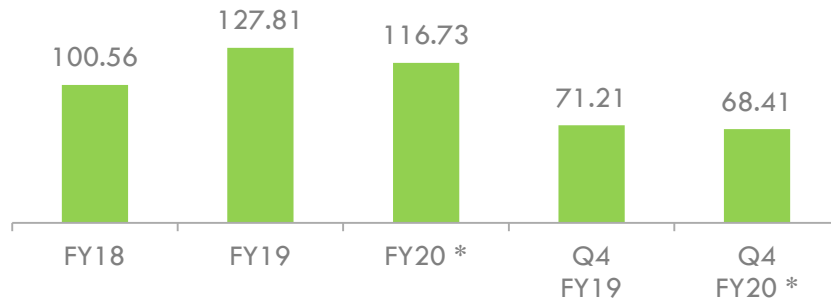
## Sugarcane Crushed (lac qtls.)



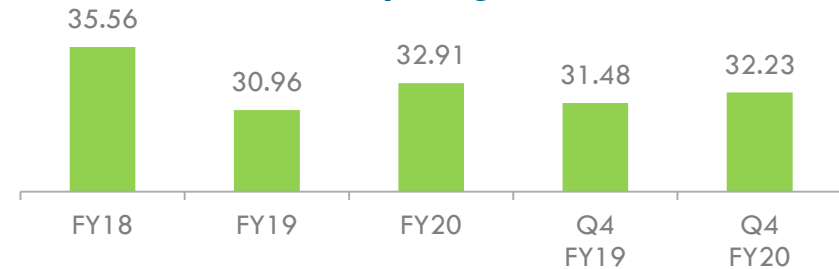
## Sugar Recovery (%)



## Sugar Production (lac qtls.)



## Average Domestic Sale Realization (₹ per kg)



- Achieved recovery after factoring in the loss on account of molasses produced under B-heavy route, for Q4FY20 and FY20 at 12.18% and 11.93% respectively



# Segmental Overview – Distillery

Financial	Segment Revenues	Segment PBIT	PBIT
	(₹ in lacs)	(₹ in lacs)	(%)
Q4 FY20	17,324.61	6,946.63	40.1%
Q4 FY19	11,304.78	8,769.74	77.6%
FY2020	54,908.72	26,146.40	47.6%
FY2019	46,769.84	31,652.51	67.7%

Operational	Total Alcohol Production (Cr BL)	Total Alcohol Sales * (Cr BL)	Blended Realization (₹/BL)	Ethanol Sales from			Ethanol Average Realizations from		
				B-heavy route	C-heavy route	Blended	B-heavy route	C-heavy route	Blended
				(Cr BL)	(Cr BL)	(Cr BL)	(₹/BL)	(₹/BL)	(₹/BL)
Q4 FY20	4.61	3.40	49.97	2.45	0.66	3.11	54.27	43.75	52.03
Q4 FY19	3.03	2.52	43.16	-	2.40	2.40	-	43.75	43.75
FY2020	12.76	11.93	44.69	2.56	8.36	10.92	54.27	43.49	46.01
FY2019	10.66	11.10	41.29	-	10.79	10.79	-	41.68	41.68

\* Total alcohol sales includes RS, ENA, SDS, Ethanol and others

During Q4FY20 Ethanol produced out of B-heavy molasses constituted 72.9% of total alcohol production

During Q4FY20 Ethanol sold out of B-heavy molasses constituted 72.1% of total alcohol sales

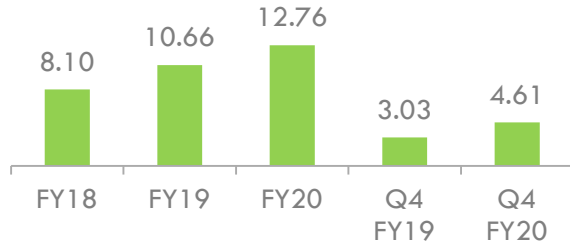
As on 31st March 2020 stock of molasses stood at 27.51 lac qtls. as compared to 21.76 lac qtls. in March 2019

Company has started producing Hand Sanitizers from March 2020

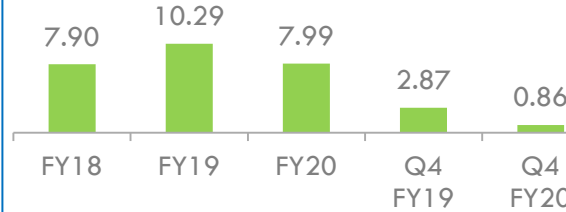


# Segmental Overview – Distillery

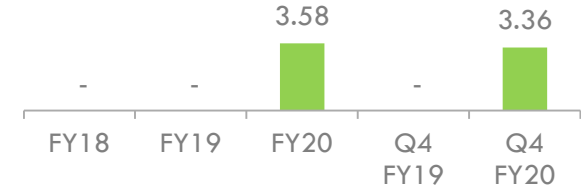
### Total Production (Cr BL)



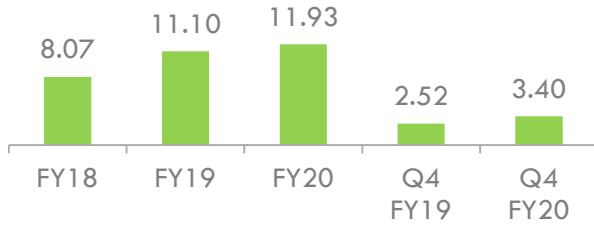
### Ethanol Production from C-heavy molasses route (Cr BL)



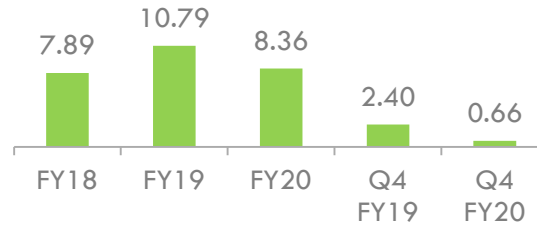
### Ethanol Production from B-heavy molasses route (Cr BL)



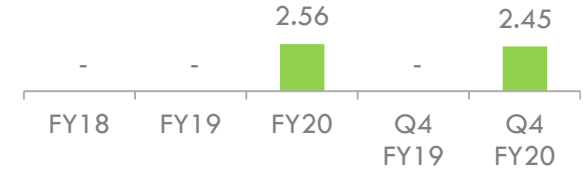
### Total Sales (Cr BL)



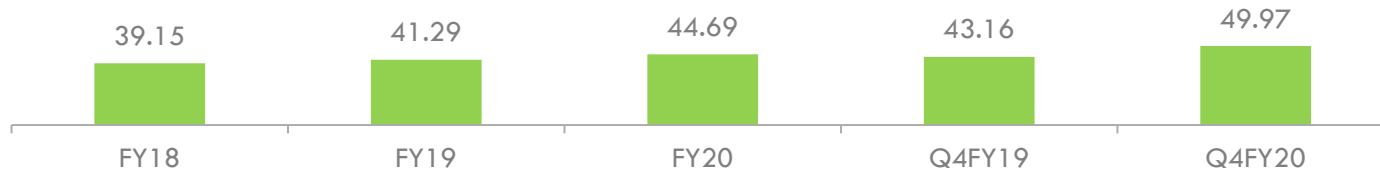
### Ethanol Sales from C-heavy molasses route (Cr BL)



### Ethanol Sales from B-heavy molasses route (Cr BL)



### Average Blended Realization - Distillery (₹ per BL)



# Segmental Overview – Co-generation

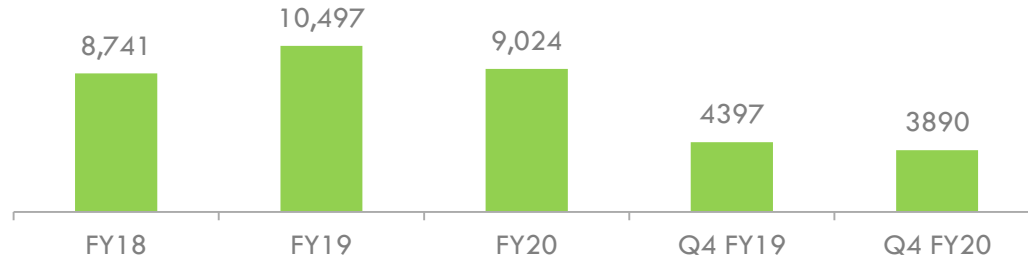
Financial	Segment Revenues	Segment PBIT	PBIT
	(₹ in crores)	(₹ in crores)	(%)
Q4 FY20	20,575.74	3,417.04	16.6%
Q4 FY19	26,702.07	8,591.13	32.2%
FY2020	45,049.90	4,754.53	10.6%
FY2019	61,582.53	17,858.35	29.0%

Operational	Power Generation	Power Sales	Average Realization
	(Cr units)	(Cr units)	(₹/unit)
Q4 FY20	38.90	20.97	3.01
Q4 FY19	43.97	26.28	4.91
FY2020	90.24	52.61	3.06
FY2019	104.97	66.38	4.94

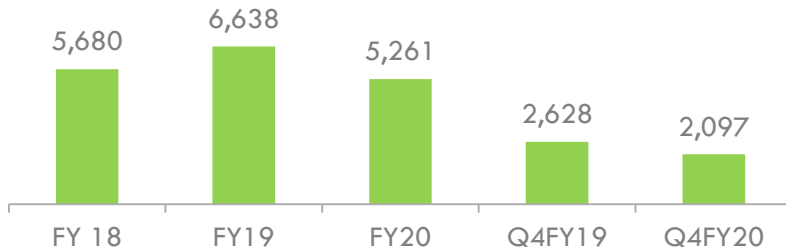
As on 31st March 2020 stock of bagasse stood at 2.45 lac MT as compared to 3.94 lac MT in March 2019  
 During the year Company sold 4.15 lac MT of bagasse in open market as compared to 3.27 lac MT in previous year  
 UPERC has reduced the tariff for power during FY20 which resulted in lower revenue / profit.  
 The same is being contested and at present case is lying with Hon'ble High Court Allahabad.



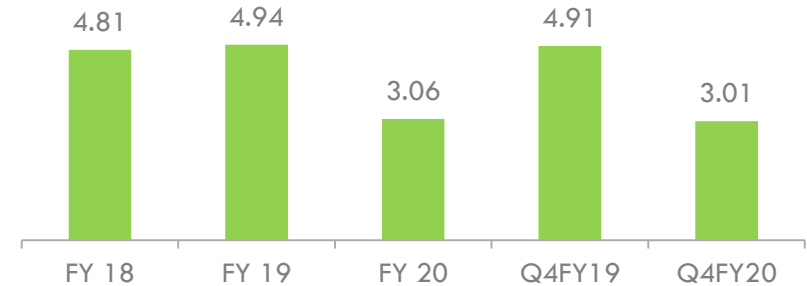
## Production (Lac units)



## Power sales (Lac units)



## Avg. Realization (₹ per unit)



# Distribution to Shareholders and Return Ratio:

<b>(Rs. in crores unless otherwise mentioned)</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>4 years total</b>
By way of dividend (including dividend distribution tax) - Dividend per share – Rs.	103.20 (3.50)	70.72 (2.50)	68.85 (2.50)	66.31 (2.50)	309.08
By way of buy-back of equity shares	175.00	99.00	-	147.67	421.67
<b>Total distribution to shareholders</b>	<b>278.20</b>	<b>169.72</b>	<b>68.85</b>	<b>213.98</b>	<b>730.75</b>
Cash Accruals (PBT + Depreciation – Current Tax)	681.21	356.25	562.40	559.25	2159.11
<b>% distribution of Cash Accruals</b>	<b>40.8%</b>	<b>47.6%</b>	<b>12.2%</b>	<b>38.3%</b>	<b>33.8%</b>

The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> June 2020 have approved the buyback of 1,00,00,000 fully paid-up equity shares of the face value of ₹1/- each of the Company at a price not exceeding ₹180/- per Equity share ("Maximum Buyback Price") and for an amount not exceeding ₹180 crores ("Maximum Buyback Size") through the "Tender Offer" route using the stock exchange mechanism in the manner as prescribed in the Companies Act, 2013 and relevant rules thereunder and the Securities and Exchange Board of India (Buyback of Securities ) Regulations, 2018.



## About Balrampur Chini Mills Limited – CIN: L15421WB1975PLC030118

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 of power. The Company presently has ten sugar factories located in Uttar Pradesh (India) having an aggregate sugarcane crushing capacity of 76500 TCD, distillery and co-generation operations of 520 KLPD and 165.2 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](http://www.chini.com).**

## For further information contact:

Pramod Patwari

Chief Financial Officer

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