



## **BALRAMPUR CHINI MILLS LIMITED**

CIN - L15421WB1975PLC030118

REGD. OFF. : "FMC FORTUNA" 2ND FLOOR, 234/3A, A. J. C. BOSE ROAD, KOLKATA - 700 020  
PHONE : 2287-4749 • FAX : (033) 2283-4487 • Email : bcml@bcml.in • www.chini.com

4th November, 2020

<b>National Stock Exchange of India Limited</b> Listing Department, 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 Tower, 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 Half Year ended 30th September, 2020, declared on 4th November, 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

Q2 & H1 FY21 Results Presentation





# Safe Harbour



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



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<b>Timing</b>	<b>12:00 noon on Thursday, November 5, 2020</b>
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<b>Conference dial-in</b>	Primary number: +91 22 6280 1141 / 7115 8042
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<b>Toll free Number</b>	Singapore: 800 101 2045
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	Hong Kong: 800 964 448
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	USA: 1 866 746 2133
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	UK: 0 808 101 1573
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# Table of Contents



	<b>Industry Overview</b>	<b>06-09</b>
	<b>Company Overview</b>	<b>11-12</b>
	<b>Q2 &amp; H1 Results Highlights</b>	<b>14-25</b>
	<b>Annexure</b>	<b>27-31</b>





# Industry Overview



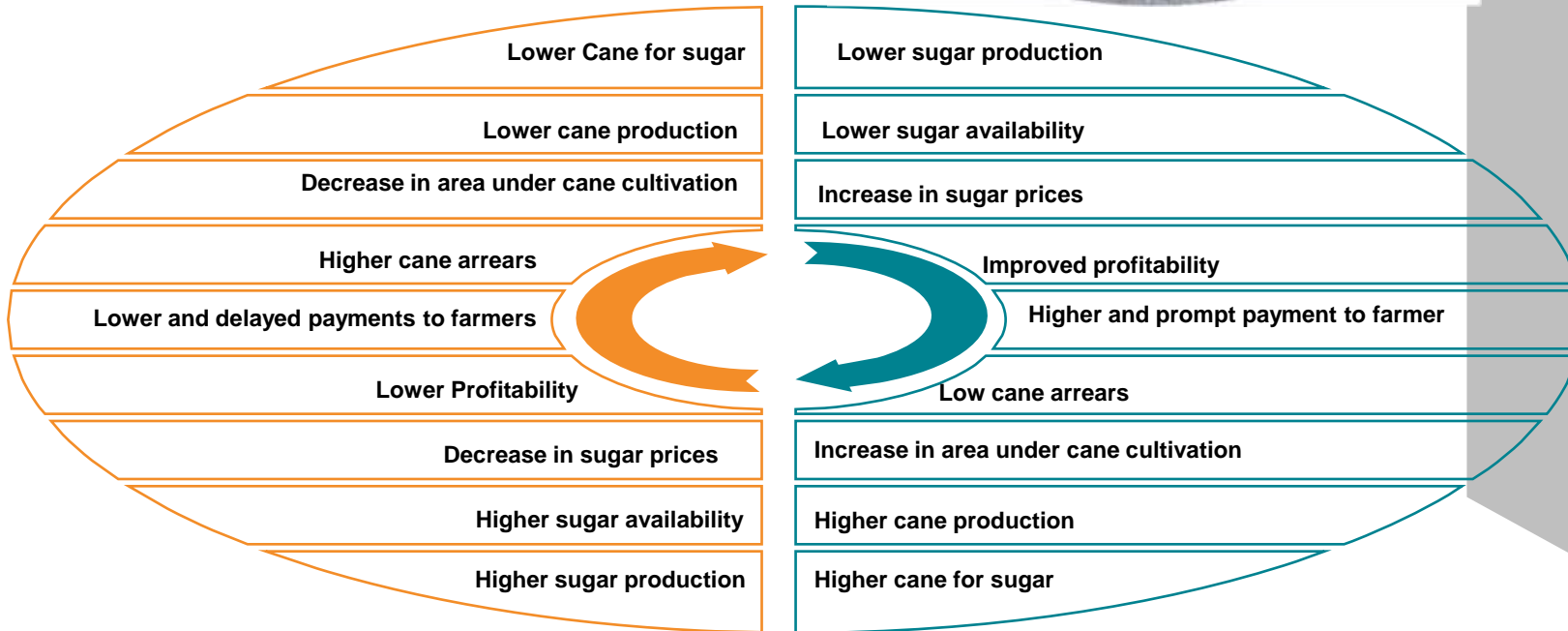
# Classical Indian Sugar Sector Cycle



## Natural Cyclicity



## Induced Cyclicity (due to cane arrears)



## Issues of the Induced Cyclicity

Erratic supply

High cane arrears

High cost of Production

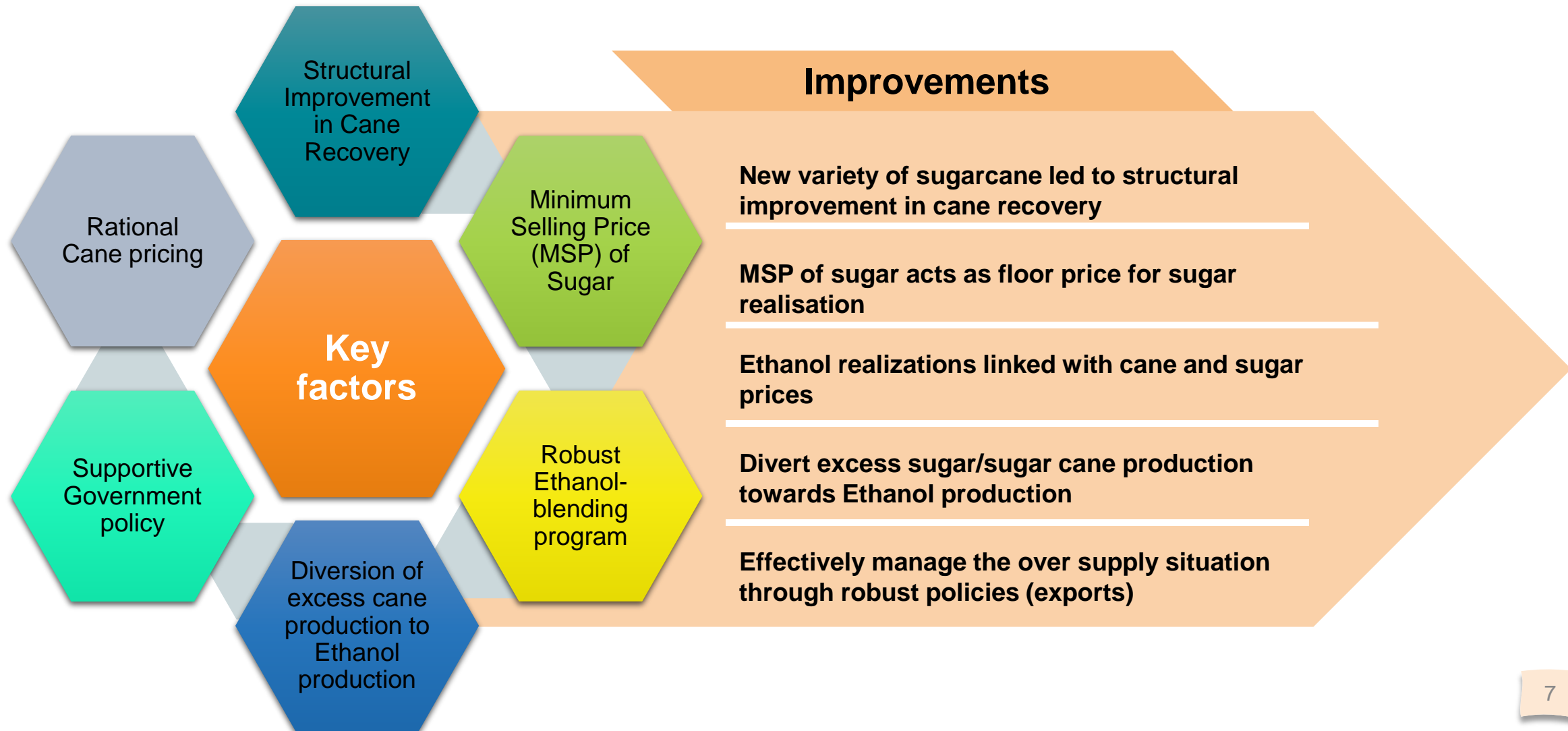
Unstable pricing trend

Unattractive industry for investment

# Current Scenario: Induced Sugar Cycle no Longer Prevalent



## *End of Induced Cyclicity (structurally handled)*





# Central Government Policies



- Fixed Fair & Remunerative Price (FRP) for sugar season 2020-21 at ₹ 285 per quintal of sugarcane linked to a basic recovery of 10% as compared to ₹275 per quintal for last year.
- Minimum Selling Price (MSP) of sugar which was first time fixed at ₹29000/- per MT in June 2018 was further increased to ₹31000/- per MT in February 2019. 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.



# Central Government Policies... contd.



- 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 2020 to November 2021, has been increased as follows:

Tender Period	(₹/BL)		
	Ethanol from C-route Molasses	Ethanol from B-route Molasses	Ethanol from Sugarcane Syrup/Juice
Dec 20 - Nov 21	45.69	57.61	62.65
Dec 19 - Nov 20	43.75	54.27	59.48

This year the Oil Marketing Companies came out with the Ethanol tenders for a period of 5 years i.e. upto 30.11.2025. Under this suppliers of Ethanol to Oil Marketing Companies will be registered as approved vendors for a period of 5 years.



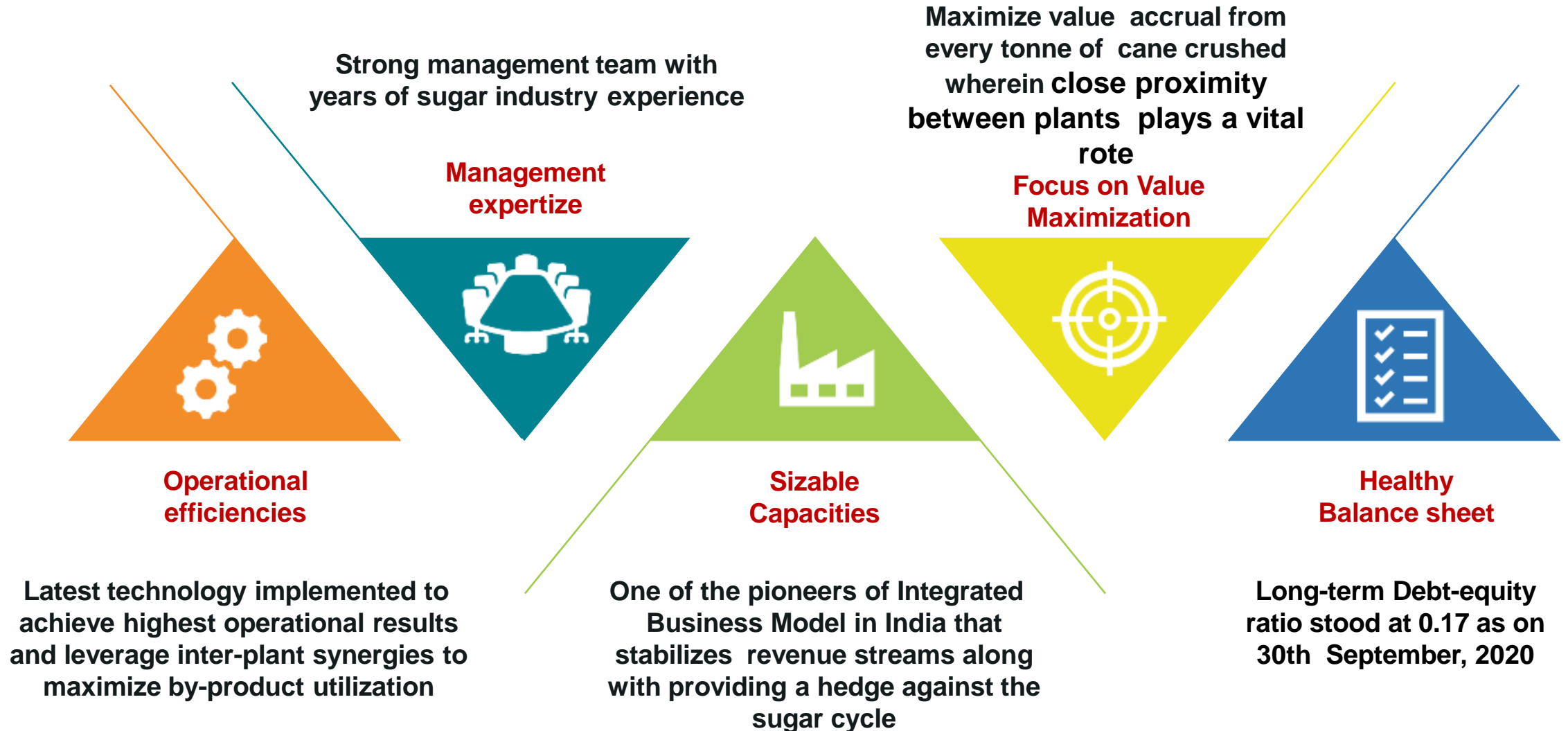


# Company Overview

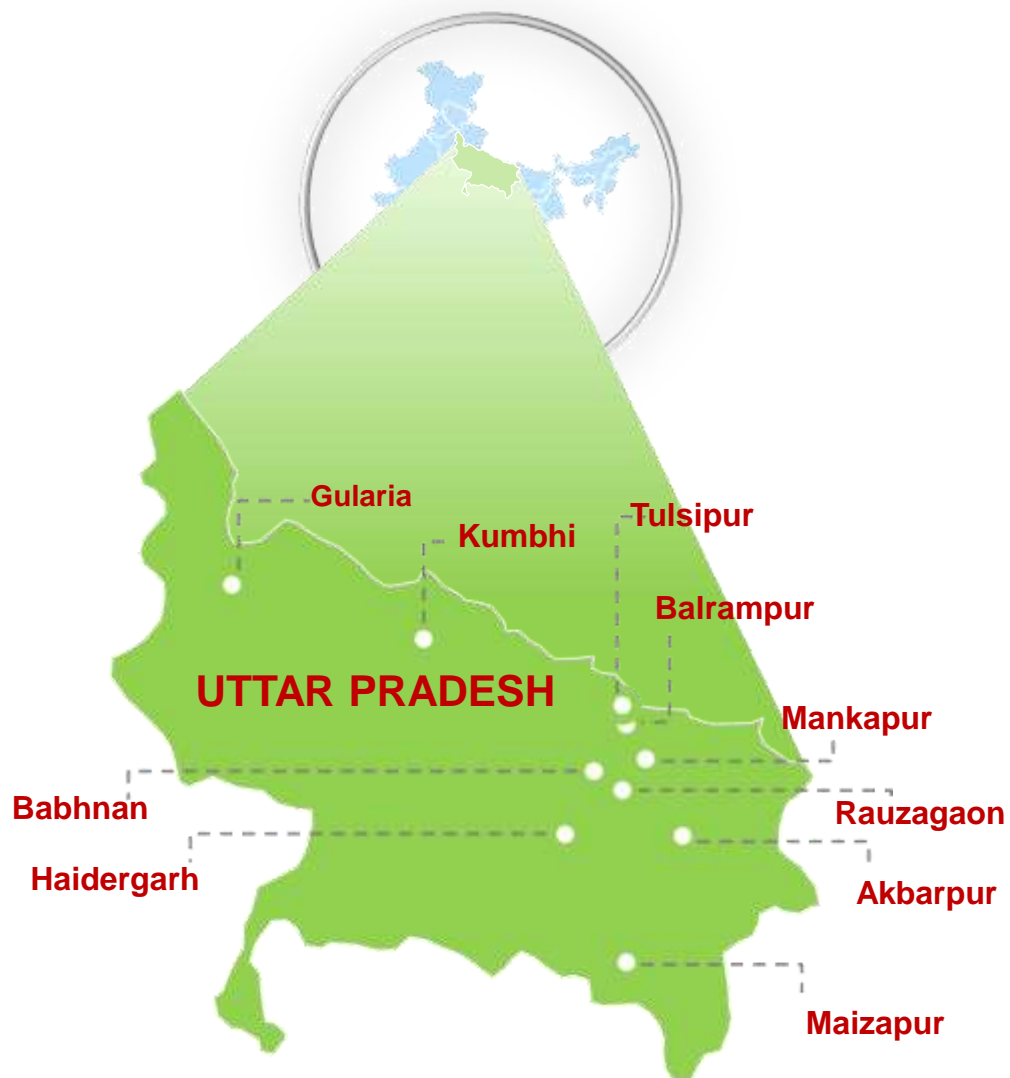




# A Leading Integrated Sugar Player In India



# Plant Locations



 **Factory Locations**

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

UNITS	Sugar Capacity (TCD)	Distillery (KLPD)	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	23.50
MAIZAPUR	3,000	-	-
<b>TOTAL</b>	<b>76,500</b>	<b>520</b>	<b>168.70</b>

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

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



## **Q2 & H1 Results Highlights**





# Management's Message



**Commenting on the performance for Q2 & H1FY21, Mr. Vivek Saraogi, Managing Director, Balrampur Chini Mills Limited (BCML), said:**

“I am glad to share that BCML has delivered a healthy performance during the quarter under review, despite a challenging environment due to the ongoing pandemic. The Sugar segment delivered subdued performance on account of non-production quarter where all off-season expenses incurred are charged to Profit & Loss account. The Distillery segment registered a healthy performance owing to robust volumes offtake and stable realisations. Ethanol volume offtake have remained strong with earnest efforts from the Government and OMC's to sustainably increase the blending program.

India's sugar production is expected to remain higher than demand for the next year. The Central Government's clear strategy to manage this surplus is to divert a higher proportion of cane towards the environment friendly Ethanol-blending program and we welcome the recent pro-active steps such as increasing realisations and reducing operational difficulties to achieve higher blending. This will immensely benefit the entire ecosystem including the farmers.

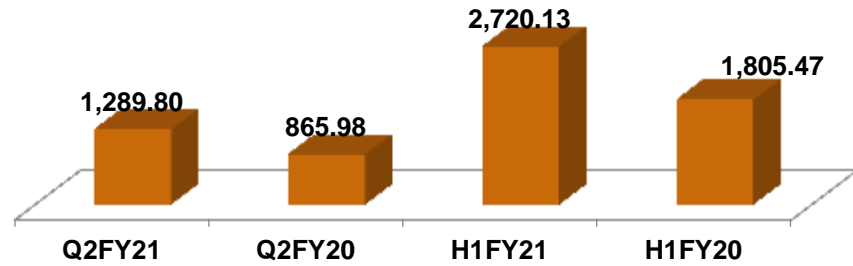
I am also pleased to announce that Board of Directors have approved capex of ~₹320 crores for setting up of Company's 5<sup>th</sup> distillery of 320 KLPD capacity at Maizapur unit which will operate on sugarcane syrup during season and grains during off-season. The cumulative distillery capacity shall stand augmented at 840 KLPD post commencement of the project. The said capex will be funded through a mix of debt and equity in the ratio of 70:30.

At BCML, we will continue to create sustainable value for all our stakeholders supported by prudent capital allocation.”

# Performance Highlights (Standalone)

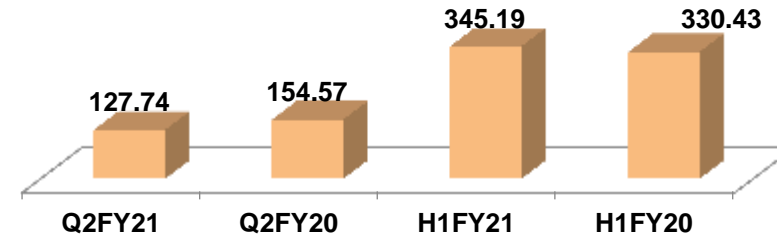


■ Revenue (₹ crores)



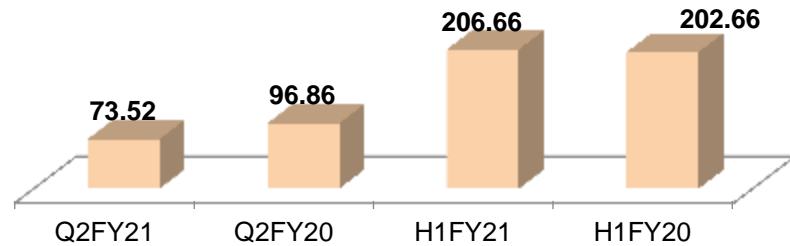
50.51% increase in revenues in Q2FY21 as compared to Q2FY20  
50.66% increase in revenues in H1FY21 as compared to H1FY20

■ EBIDTA (₹ crores)



EBIDTA lower by 17.33% in Q2FY21 as compared to Q2FY20  
In H1FY21 EBIDTA higher by 4.47% as compared to H1FY20

■ Total Comprehensive Income (TCI) (₹ crores)



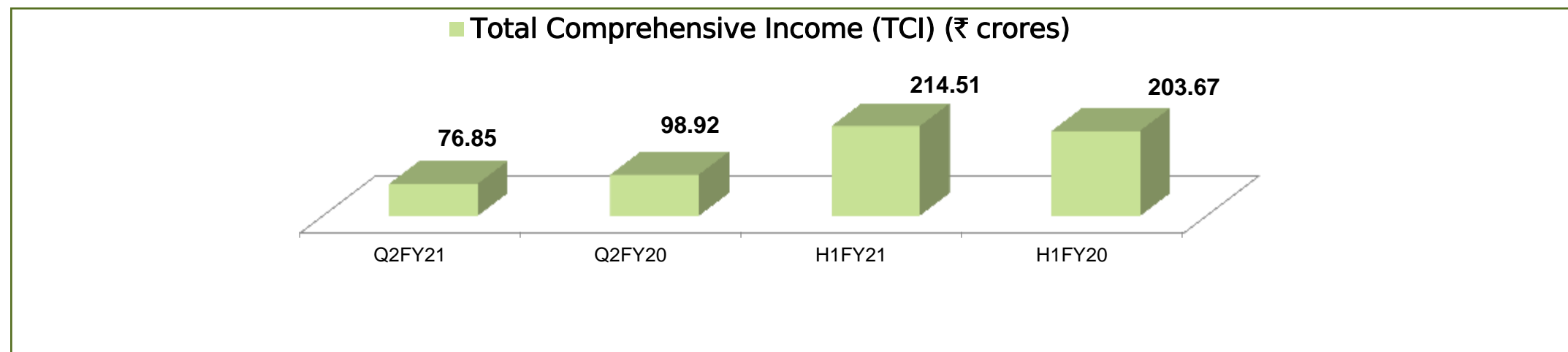
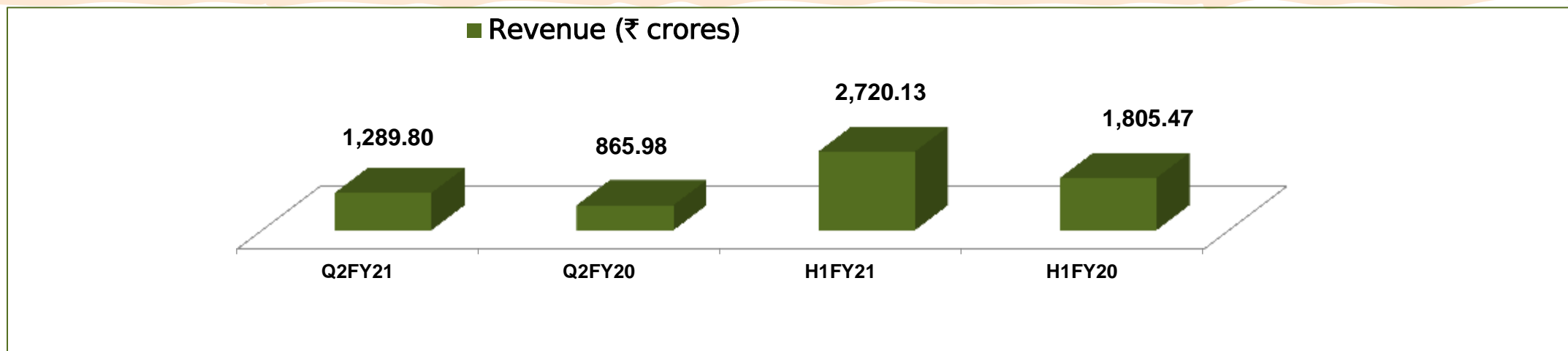
TCI lower by 24.10% in Q2FY21 as compared to Q2FY20  
In H1FY21 TCI higher by 1.97% as compared to H1FY20

EBITDA Margin (%)

TCI Margin (%)

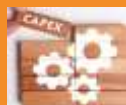
	EBITDA Margin (%)	TCI Margin (%)
Q2 FY21	9.90%	5.70%
Q2 FY20	18.04%	11.19%
H1FY21	12.69%	7.60%
H1FY20	18.30%	11.22%

# Performance Highlights (Consolidated)





# Company Highlights



Board of Directors at their meeting held on 4<sup>th</sup> November 2020 has approved setting up of 320 KLPD distillery at Maizapur unit. This distillery will operate on sugarcane syrup during season and grains during off-season. Total capex for the same is estimated ~₹320 crores for which ~₹220 crore is expected to be borrowed from banks under interest subvention scheme of the Government of India.



Long term and Short Term ratings of the Company stands at AA and A1+ respectively as assigned by ICRA and CRISIL.



As at 30th September 2020 long term bank borrowings of the Company stands at ₹ 404.05 crores which includes Term loans availed from State Government and Central Government which carries interest at subsidized rates. Repayment obligation towards term loan is as under:

₹ in Crores

	FY2020-21 *	FY2021-22	FY2022-23	FY2023-24	FY2023-24
Amount payable annually	41.53	105.58	105.58	105.58	45.78

\* Balance portion of FY20-21

# Financial Overview – Standalone Results



Particulars	Q2 FY21 (₹ In crores)	Q2 FY20 (₹ In crores)	YoY change (%)	H1FY21 (₹ In crores)	H1FY20 (₹ In crores)	YoY change (%)
<b>Revenue from Operations</b>	<b>1289.80</b>	<b>856.98</b>	<b>50.51%</b>	<b>2720.13</b>	<b>1805.47</b>	<b>50.66%</b>
<b>EBITDA</b>	<b>127.74</b>	<b>154.57</b>	<b>-17.36%</b>	<b>345.19</b>	<b>330.43</b>	<b>4.47%</b>
<i>EBITDA Margin (%)</i>	<i>9.90%</i>	<i>18.04%</i>	-	<i>12.69%</i>	<i>18.30%</i>	-
Depreciation	28.17	24.82	13.50%	55.97	49.08	14.03%
Finance Costs	9.03	16.64	-45.73%	24.64	39.31	-37.31%
<b>Profit Before Tax</b>	<b>95.12</b>	<b>118.77</b>	<b>-19.91%</b>	<b>272.49</b>	<b>252.53</b>	<b>7.90%</b>
<i>PBT Margin (%)</i>	<i>7.37%</i>	<i>13.86%</i>	-	<i>10.02%</i>	<i>13.99%</i>	-
Tax	20.14	21.03	-	62.94	48.12	-
Other Comprehensive Income	(1.45)	(0.88)	-	(2.88)	(1.74)	-
<b>Total Comprehensive Income</b>	<b>73.52</b>	<b>96.86</b>	<b>-24.10%</b>	<b>206.66</b>	<b>202.67</b>	<b>1.97%</b>
EPS (Rs.)	3.51	4.44	-	9.66	9.16	

Revenue from operations during Q1FY21 and H1FY21 includes ₹ 134.58 crores on account of exports under MAEQ.

# Financial Overview – Consolidated Results



Particulars	Q2 FY21 (₹ In crores)	Q2 FY20 (₹ In crores)	YoY change (%)	H1FY21 (₹ In crores)	H1FY20 (₹ In crores)	YoY change (%)
Revenue from Operations	1289.80	856.98	50.51%	2720.13	1805.47	50.66%
Profit Before Tax	99.46	121.45	-18.11%	282.72	253.84	11.38%
Tax	21.16	21.65	-	65.32	48.43	-
Other Comprehensive Income	(1.45)	(0.88)	-	(2.89)	(1.74)	-
<b>Total Comprehensive Income</b>	<b>76.85</b>	<b>98.92</b>	<b>-22.31%</b>	<b>214.51</b>	<b>203.67</b>	<b>5.32%</b>
EPS (Rs.)	3.66	4.54	-	10.02	9.20	

**Note: Consolidated results of the Company includes results of two Associates of the Company viz. Visual Percept Solar Projects Pvt. Ltd. and Auxilo Finserve Pvt. Ltd. wherein Company's share is 45.00% (Previous year 45.00%) and 45.05% (Previous year 50.00%) respectively.**

# Segmental Overview – Sugar



Financial	U.O.M.	Q2FY21	Q2FY20	YoY change (%)	H1FY21	H1FY20	YoY change (%)
Segment Revenues *	(₹ in crores)	1,063.43	750.61	41.68%	2404.55	1587.63	51.46%
Segment PBIT	(₹ in crores)	23.48	90.14	-73.95%	118.44	163.43	-27.53%
PBIT %	%	2.21%	12.01%	-	4.93%	10.29%	-
Operational	U.O.M.						
Sugarcane Crushed	lac qtls.	-	-	-	200.76	167.34	19.97%
Sugar Recovery before B-heavy diversion	%	-	-	-	11.90% **	12.00%	(10 bps)
Sugar Produced	lac qtls.	-	-	-	22.22	20.08	10.66%
Sugar Sold (Domestic)	lac qtls.	30.76	21.29	44.53%	61.05	43.18	41.38%
Sugar Sold (Exports)	lac qtls.	-	-	-	5.37	0.04	-
Average Domestic Sale Realization	₹/kg	32.97	33.37	-1.20%	32.42	33.13	-2.14%
Average Exports Realization (including Govt. Assistance)	₹/kg	-	-	-	33.00	28.50	-

\* includes export subsidy of ₹56.17 crores during H1FY21 accounted for under Other Operating Income

\*\*Recovery after factoring in the loss on account of molasses produced under B-heavy route, for H1FY21 at 11.07 %

Sugar inventory as on 30th September 2020 was 24.26 lac quintals valued at an average rate of ₹31.19 per kg as against 49.22 lac quintals in previous period valued at an average rate of ₹31.03 per kg.

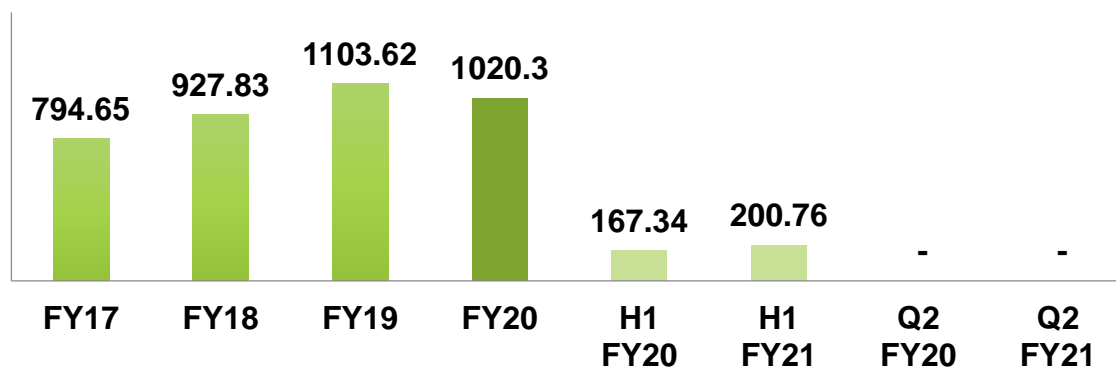
Company was able to reduce sugar inventory due to export of sugar and diversion of sugarcane into B-heavy route to maximize Ethanol production.



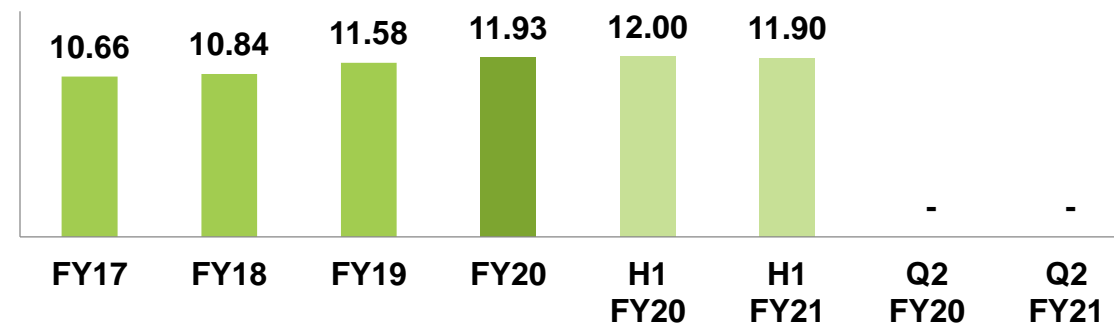
# Segmental Overview – Sugar ... contd.



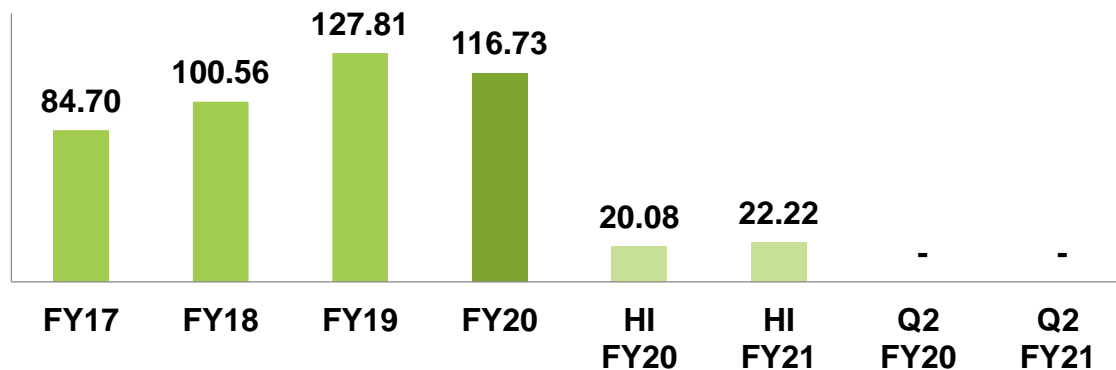
### Sugarcane Crushed (lac quintals)



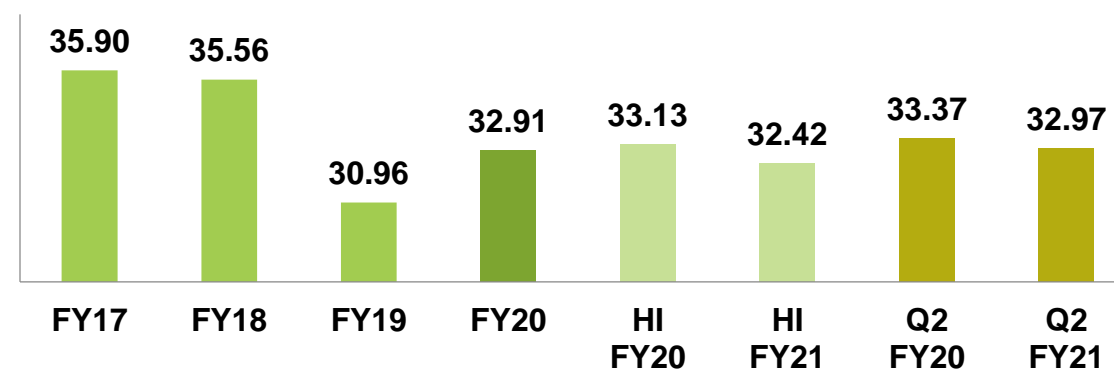
### Sugar Recovery before considering sugar loss on account of B-heavy diversion (%)



### Sugar Production (lac quintals)



### Average Domestic Sale Realization (₹ per kg)



Sugar recovery after factoring in the loss on account of molasses produced under B-heavy route for H1FY21 was 11.07%

# Segmental Overview – Distillery



Financial	U.O.M.	Q2FY21	Q2FY20	YoY change (%)	H1FY21	H1FY20	YoY change (%)
Segment Revenues *	(₹ in crores)	262.82	133.92	96.25%	486.08	273.07	78.00%
Segment PBIT	(₹ in crores)	100.99	67.37	49.90%	196.85	152.49	29.09%
PBIT %	%	38.42%	50.30%	-	40.50%	55.84%	-

Operational	U.O.M.	Q2FY21	Q2FY20	YoY change (%)	H1FY21	H1FY20	YoY change (%)
Total Alcohol Production	Cr. BL	4.20	3.09	35.92%	8.87	5.87	51.11%
Total Alcohol Sales *	Cr. BL	5.57	3.03	83.83%	9.91	6.15	61.14%
Blended Realization *	₹ /BL	45.62	42.75	6.71%	47.49	42.91	10.67%
Ethanol Sales from B-heavy route molasses	Cr. BL	2.55	-	-	5.65	-	-
Ethanol Sales from C-heavy route molasses	Cr. BL	2.18	2.85	-	3.08	5.87	-
Total Ethanol Sales	Cr. BL	4.73	2.85	65.96%	8.73	5.87	48.72%
Ethanol Realization from B-heavy route molasses	₹ /BL	54.27	-	-	54.27	-	-
Ethanol Realization from C-heavy route molasses	₹ /BL	43.75	43.46	-	43.75	43.46	-

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

During Q2FY21 & HFY21 Ethanol produced out of B-heavy molasses constituted 42.08% and 60.03% of total alcohol production

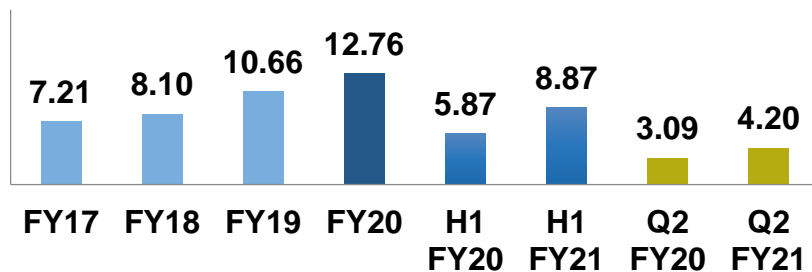
During Q2FY21 & H1FY21 Ethanol sold out of B-heavy molasses constituted 53.99% and 64.79% of total alcohol sales

As on 30th September 2020 stock of molasses stood at 7.40 lac quintals, at similar levels which was at 30<sup>th</sup> September 2019

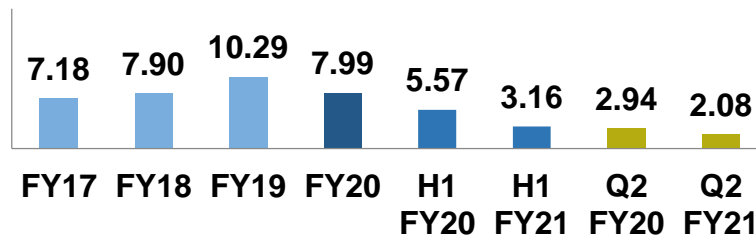
# Segmental Overview – Distillery ... contd.



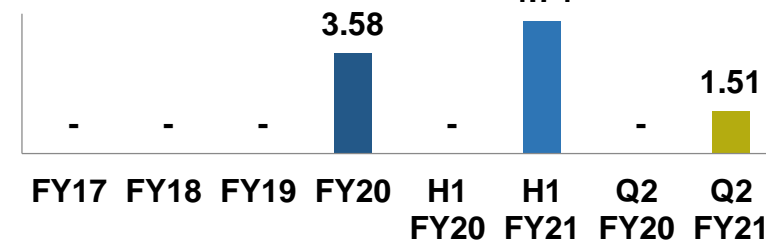
**Total Production (Cr BL)**



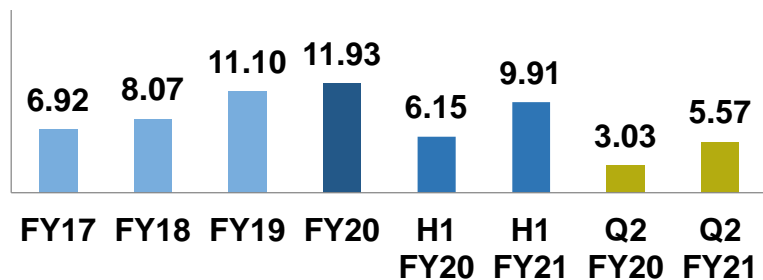
**Ethanol Production from C-heavy molasses route (Cr BL)**



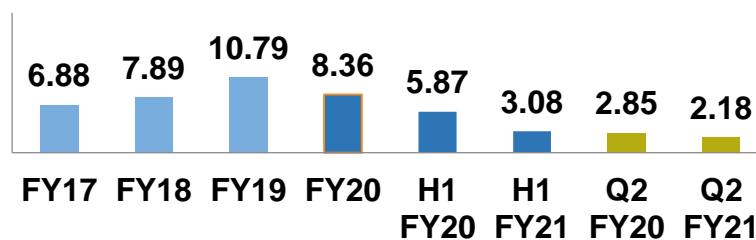
**Ethanol Production from B-heavy molasses route (Cr BL)**



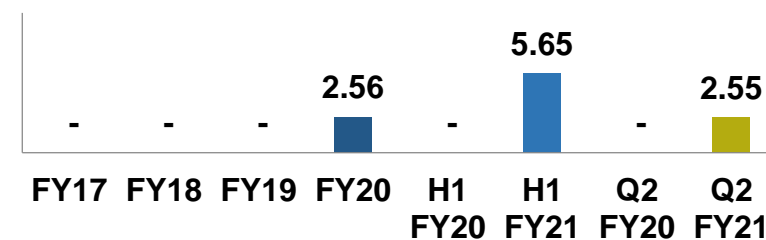
**Total Sales (Cr BL)**



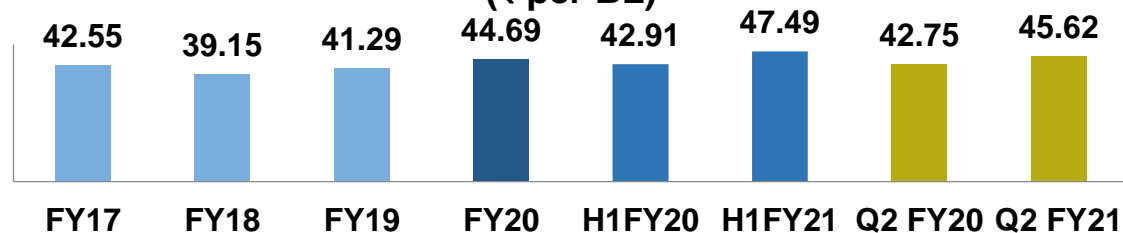
**Ethanol Sales from C-heavy molasses route (Cr BL)**



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



**Average Blended Realization – Distillery (Incl. ENA)**  
(₹ per BL)



**Announced price of Ethanol (₹/BL)**

Tender Period	C-route	B-route	Syrup
Dec 20-Nov 21	45.69	57.61	62.65
Dec 19-Nov 20	43.75	54.27	59.48

# Segmental Overview – Co-generation



Financial	U.O.M.	Q2FY21	Q2FY20	YoY change (%)	H1FY21	H1FY20	YoY change (%)
Segment Revenues	(₹ in crores)	30.79	25.00	23.16%	126.44	135.57	-6.73%
Segment PBIT	(₹ in crores)	(9.91)	(9.20)	-	1.70	(2.00)	-
PBIT %	%	-32.19%	-36.80%	-	1.34%	-1.48%	-

Operational	U.O.M.	Q2FY21	Q2FY20	YoY change (%)	H1FY21	H1FY20	YoY change (%)
Power Generation	Cr. Units	4.15	4.53	-8.39%	21.76	31.59	-31.11%
Power Sales	Cr. Units	1.32	2.04	-35.29%	10.34	20.42	-49.34%
Average Realization	₹/Unit	3.23	3.13	3.19%	3.20	3.10	3.23%

**As on 30th September 2020 stock of bagasse stood at 1.30 lac MT as compared to 0.73 lac MT as on 30th September 2019.**

During H1FY21, Company sold 0.90 lac MT of bagasse in open market in comparison to 1.34 lac MT in previous period.

UPERC has reduced the tariff for power w.e.f. 1st April 2019 which resulted in lower revenue / profit.

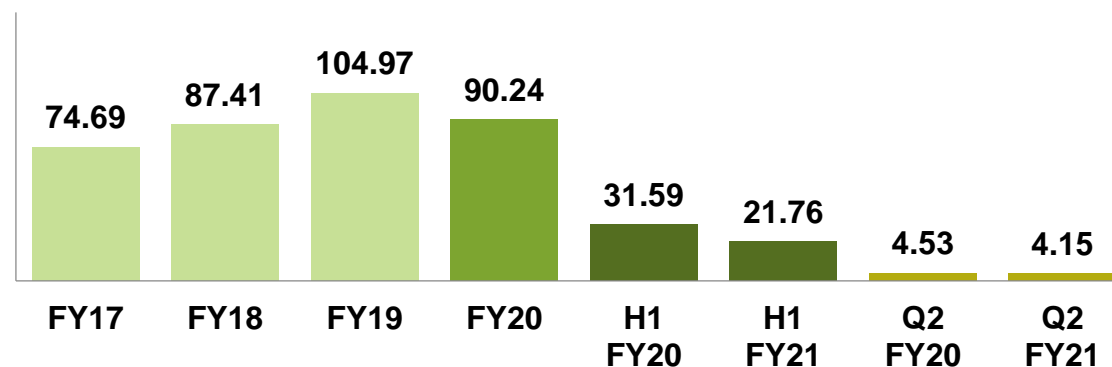
The same is being contested and presently the case is lying with Hon'ble High Court Allahabad.



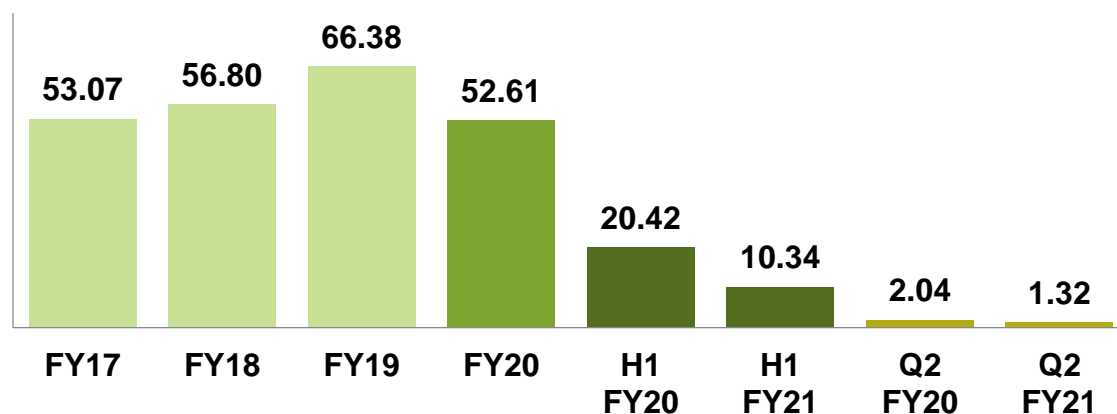
# Segmental Overview – Co-generation ... contd.



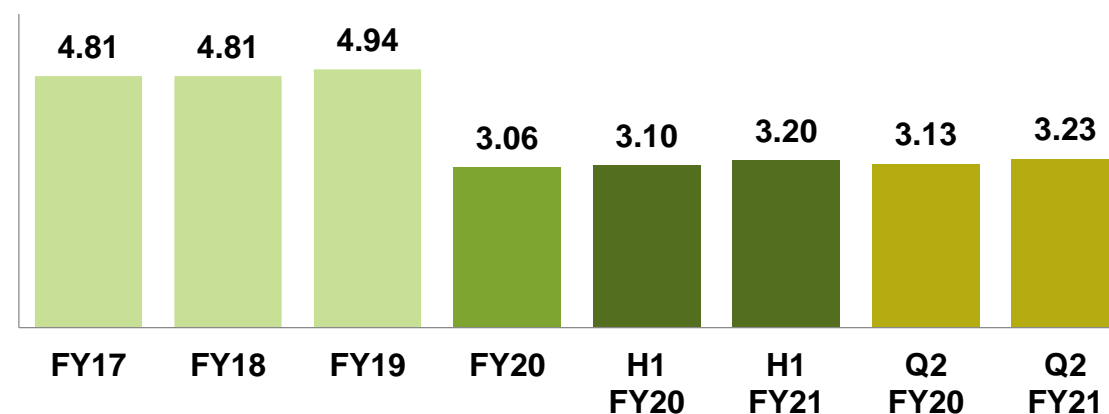
Production (Crore units)



Power sales (Crore units)



Average Realization (₹ per unit)





**Annexure**



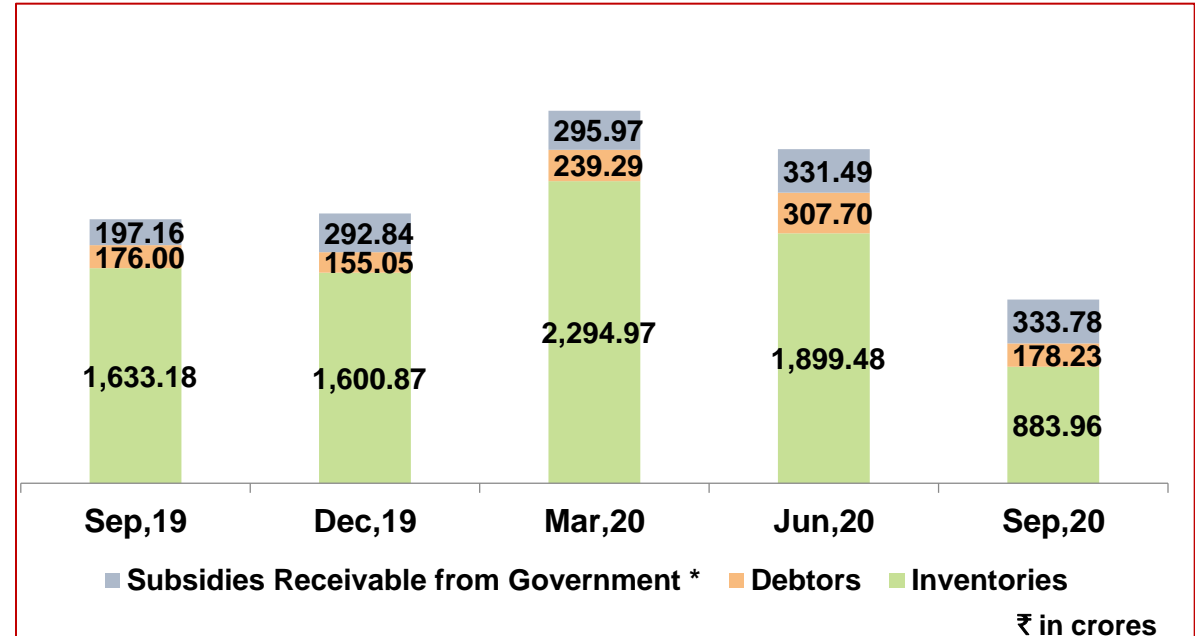
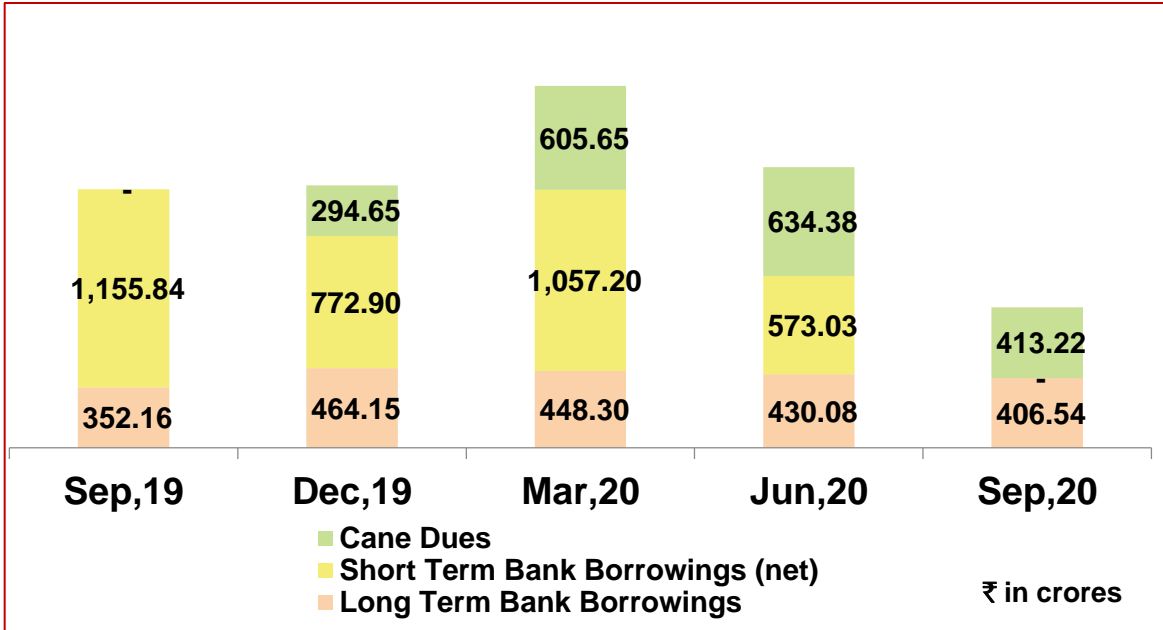
# Cash Flow Statement – on standalone basis



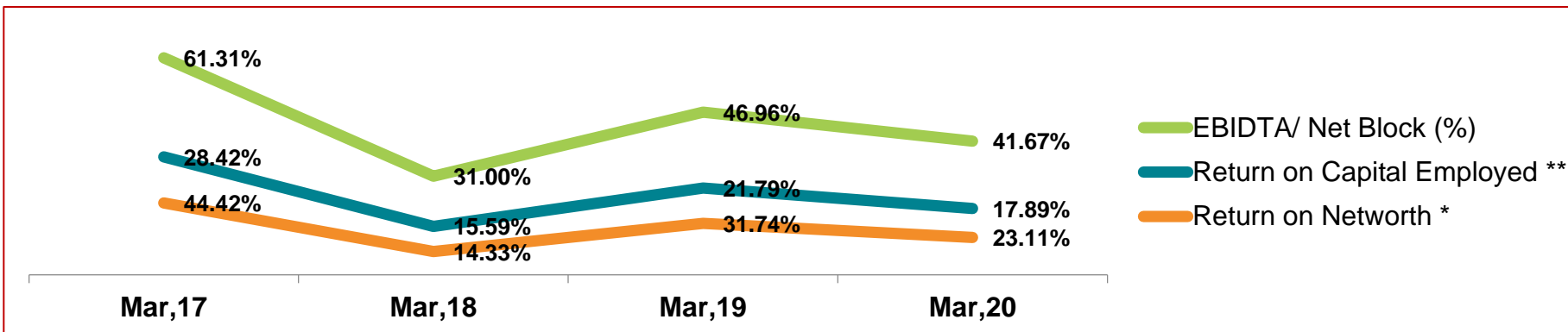
(₹ in crore)

Sl. Particulars	Mar-20	Sep-19	Sep-20
1 PBT	554.93	252.52	272.49
2 Cash generated from operating activities	849.61	673.68	1498.70
3 Net cash (used) in investing activities	(304.71)	(220.87)	(27.17)
4 Net cash (used) in financing activities	(545.52)	(328.45)	(1353.10)
5 Cash & Cash equivalents as on the reporting date	1.49	126.47	119.92
Short Term bank borrowings	1058.69	1282.78	-

# Borrowings & Ratios



\* Subsidy for exports done by the Company for the season 2018-19 has been received in full.



\* Total Comprehensive Income / Avg. Net-worth where Net-worth excludes Capital Reserve & Amalgamation Reserve

\*\* EBIDTA / Avg. Capital Employed where Capital Employed is sum of Total Borrowings and Net-worth as defined above



# Distribution to Shareholders



(₹ in crore unless otherwise mentioned)

Sl.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
1	By way of Dividend *	103.20	70.72	68.85	66.31	-
	- Dividend per share - (₹)	(3.50)	(2.50)	(2.50)	(2.50)	-
2	By way of buy-back of shares **	175.00	99.00	-	147.67	221.93
<b>3</b>	<b>Total distribution to shareholders</b>	<b>278.20</b>	<b>169.72</b>	<b>68.85</b>	<b>213.98</b>	<b>221.93</b>
<b>4</b>	<b>Cash Accruals #</b>	<b>681.21</b>	<b>356.25</b>	<b>562.40</b>	<b>559.25</b>	
<b>5</b>	<b>% total distribution of Cash Accruals (3/4)</b>	<b>40.8%</b>	<b>47.6%</b>	<b>12.2%</b>	<b>38.3%</b>	

• INCLUDES DIVIDEND DISTRIBUTION TAX

\*\* INCLUDES TAX ON BUY-BACK

# PBT + DEPRECIATION - CURRENT TAX

# Extract of Statement of Assets & Liabilities and Profitability of Associates



(₹ in crore except for EPS data)

## AUXILO FINSERVE PVT. LTD.

Particulars	March, 20	Sept., 20
<b>Liabilities</b>		
Share Capital	344.06	344.06
Other Equity	14.79	20.23
Borrowings	224.52	211.91
Debt Securities	24.83	113.96
Other financial & non-financial liabilities	13.22	19.82
<b>Total Liabilities</b>	<b>621.42</b>	<b>709.98</b>
<b>Assets</b>		
Loans	486.59	505.18
Investments	-	59.49
Cash & cash equivalents	122.86	134.40
Other financial & non-financial assets	11.97	10.91
<b>Total Assets</b>	<b>621.42</b>	<b>709.98</b>
<b>Profit for the period</b>	<b>3.77</b>	<b>5.02</b>
<b>EPS</b>	<b>0.14</b>	<b>0.15</b>

## VISUAL PERCEPT SOLAR PROJECTS PVT. LTD.

Particulars	March, 20	Sept., 20
<b>Liabilities</b>		
Share Capital	19.81	19.81
Other Equity	151.46	169.17
Borrowings	12.55	-
Debt Securities	-	-
Other current & non-current liabilities	12.37	7.64
<b>Total Liabilities</b>	<b>196.19</b>	<b>196.62</b>
<b>Assets</b>		
PPE & Intangibles	188.01	179.78
Trade Receivables	5.58	4.64
Cash & cash equivalents	1.27	11.22
Other current & non-current assets	1.33	0.98
<b>Total Assets</b>	<b>196.19</b>	<b>196.62</b>
<b>Profit for the period</b>	<b>13.16</b>	<b>17.71</b>
<b>EPS</b>	<b>6.65</b>	<b>8.94</b>

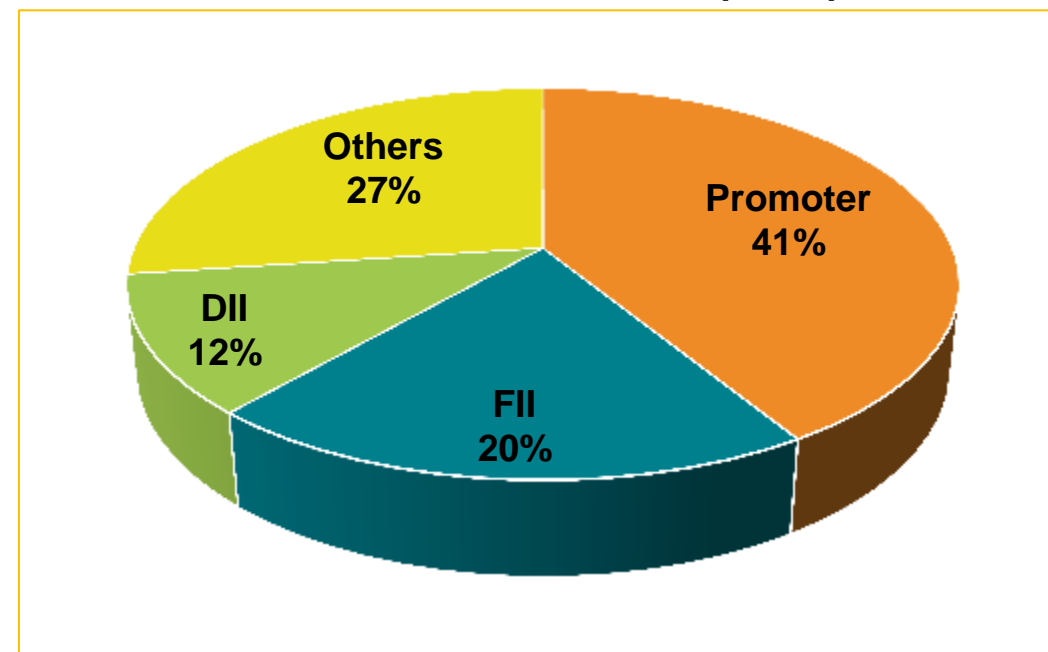
# Key Market Statistics



Particulars	As on September 30, 2020
BSE / NSE Ticker	500038 / BALRAMCHIN
CMP BSE / NSE (Rs.) (30.09.2020)	155.10 / 155.20
Market Cap. BSE / NSE (Rs. Crore)	3,257.10 / 3,259.20
No. of Outstanding shares (Crore)	21.00
Face Value	1.00
52-week High / Low (Rs.)	195.00 / 68.80 (BSE) 195.00 / 68.95 (NSE)

## Shareholding Pattern

As on 30.09.2020 (in %)



# Contact Us



## 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 76,500 TCD, distillery and co-generation operations of 520 KLPD and 168.7 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:

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**Chief Financial Officer**

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Thank You

