BALRAMPUR CHINI MILLS LIMITED

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18th August, 2026

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Symbol: **BALRAMCHIN**	Scrip Code: **500038**

Dear Sir/Madam,

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Subject: Transcript of Earnings Conference call

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Q1 FY27 Earnings Conference Call held on 12th August, 2026.

The same is also uploaded on Company's website at the following web page:

https://chini.com/investors/concall-transcript/

Thanking You.

Yours faithfully
For Balrampur Chini Mills Limited

MANOJ AGARWAL
Digitally signed by MANOJ AGARWAL
Date: 2026.08.18 18:18:25 +05'30'

Manoj Agarwal
Company Secretary & Compliance Officer

Encl: A/a

Balrampur Chini Mills Limited
Q1 FY27 Earnings Conference Call
August 12, 2026

Moderator: Ladies and gentlemen, good day, and welcome to the Balrampur Chini Mills Limited's Earnings Conference Call. As a reminder, all participant lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the management's opening remarks. Please note that this conference is being recorded.

I will now hand the conference over to Ms. Jenny Rose from CDR India. Thank you, and over to you.

Jenny Rose: Good afternoon everyone, and thank you for joining us on Balrampur Chini Mills' Q1 FY27 Results Conference Call. We have with us today Mr. Vivek Saraogi, Chairman & Managing Director of Balrampur Chini Mills; Ms. Avantika Saraogi, Executive Director; and Mr. Pramod Patwari, Chief Financial Officer of the Company.

We would now like to begin the call with brief opening remarks from the management, following which we will have the forum open for the question and answer session.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the results presentation shared with you earlier.

I would now like to invite Mr. Saraogi to make his opening remarks. Over to you, sir.

Vivek Saraogi: Thank you Jenny. Good afternoon everyone, and thank you for joining us on Balrampur Chini Mill's Q1 FY27 earnings conference call. I trust all of you have had the opportunity to go through our results, providing details of our operational and financial performance. So, I will just go through the highlights.

The season 2025-26 has turned out to be tighter than anticipated, with lower than expected production, healthy domestic consumption and diversion towards ethanol resulting in a drawdown to inventory.

This tighter demand-supply balance has led to firming up of domestic sugar prices, providing relief to millers and helping offset higher sugarcane costs and other costs & margin pressures in terms of distillery, especially.

Looking ahead to the 2026-27 sugar season, it is too early to take a definitive view on production. The progress of monsoon, crop development and yields across key producing states, we will get clarity over the next few months. The first meaningful clarity is expected around the end of September.

In this environment, maintaining the right balance between sugar availability, ethanol diversion will be important for stable prices and healthy industry economics.

Turning to our performance, Balrampur Chini has commenced FY27 on a stable note, with revenues improving across the Sugar and Distillery segments, supported by higher sugar realizations and distillery volumes. Sugarcane crushing and production increased on improved cane availability, while cane development and varietal balancing remains our key focus area. Higher sugar realizations also provided support against increased cane costs during the quarter.

As most of you are aware, the first quarter is an off-season for sugar production. Profitability during the quarter is therefore influenced by the carrying cost and realization of sugar inventory from the previous crushing season, with largely no production during the quarter. There may be some production in April; This impacts the quarterly performance, and this is going to be relevant every quarter. So, as we know, sugar has quarter-wise dynamics to it. The first quarter is as described. The second quarter is absolutely without production. In the third quarter, production is there partially, while the fourth quarter has the entire production. As of June 30, the Company was carrying sugar inventory of 45.67 lakh quintals at an average carrying cost of INR 37.19 per kg. With sugar prices remaining firm, this inventory provides a favourable base for profitability in the upcoming quarters.

On our strategic initiatives, the 80,000-tonnes PLA plant, continues to progress well and remains on track. We will talk about the commissioning date. Construction activities are in full flow with civil equipment, arrivals, erections, all going on. We have spent about INR 2,180 crore by the end of July. Alongside project execution, we have made encouraging progress on product development, customer trials, and market engagement.

To conclude, our integrated business model has enabled us to navigate changing industry dynamics while continuing to focus on maximizing value from every stick of cane. As we strengthen our core operations and progress with the PLA project, we are building a more diversified and sustainable growth platform aligned with environmental priorities. Backed by our strong financial position and focus on efficient capital deployment, we continue to strengthen our operation, enhance efficiencies, and create sustainable long-term value.

Now, I hand over the floor to Pramod.

Pramod Patwari: Thank you, and good afternoon everyone. I hope all of you have had the opportunity to go through the results presentation that has been shared with you. So, I would now request the moderator to open the forum for Q&A session. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Sanjay Manyal from DAM Capital Advisors.

Sanjay Manyal: Just a few questions on the current situation where the sugar prices have moved up to INR 48, INR 49. Now, given the fact that the Government might come out with some measures, suppose there is a restriction on B-heavy and juice, similar to what they did two years back. What kind of distillery volumes can you still achieve next season? Is it fair to assume that 10 crore litre is possible from C-heavy, and maybe another 9 crore litre to 10 crore litre is possible from grains, maize or broken rice? So, that is my first question.

Vivek Saraogi: I will try and attempt to answer the entire dynamics which is prevailing. So yes, the inventory is tight. Market has assumed the inventory to be tighter and the numbers to be way lower than reality. That is our company's view, having said that, the current price correction, if I may say so, or rise, whatever, is reflecting that scenario. So, we see with all commodities, probably you have seen with onions and we have seen in the past, there can be spikes which is not in people's control. So getting back to numbers, and Sanjay's question now, the inventory position is extremely tight. Hence, going into next year, though nothing has been done, it is reasonable to assume that there will be no diversion allowed towards B and juice. So that is a reasonable assumption today, that is our personal view, again, company's view. Keeping that in mind, yes, only C-heavy will be allowed. So we are equipped to do that in all our units. Crushing might reduce a bit in some unit, but overall, we keep our targets intact. We are reworking our numbers and on Sanjay's question, we will get back to you once we rework our numbers. But yes, your C-heavy assumption is not too much off the mark.

Sanjay Manyal: Right, my concern was more around grain, particularly given the availability of grain in your catchment area. Because, as I understand, your Maizapur plant is equipped to do approximately 10 crore litres from grain?

Vivek Saraogi: Sanjay, all your assumptions are correct. Now grain has two parts to it. One is broken rice, and the other is maize. So, come September-October, we would see, I think, the Government very clearly giving the price and creating availability for broken rice as well. You know, broken rice will be taken from the open market, but they will create availability by reducing its use in the food basket. We are told that probably 25% is being mixed right now in the rice we all eat. That will be reduced to 10%, and hence, that 15% will be available in the market. Maize is again, you know, market driven. So, we do assume that all your numbers are largely in order.

Sanjay Manyal: Right. And Maizapur can make sugar, in the sense, last time, if I can recall it wasn't ready?

Vivek Saraogi: Yes, now it is ready. We had planned for this anyway.

Sanjay Manyal: Though I know it, my second question is on the prices, I know it is difficult to sort of figure out the usual, what could be the average price for next one year or so, given the fact that there is so much of volatility in the production. Is it also sort of fair to assume the crushing will start much earlier than what we used to do? If that happened, then can there be a recovery loss and that probably might impact the full-year production for the industry as a whole?

Vivek Saraogi: Okay. So, if we see the entire program and the entire scenario, assume you start early, you will be able to sell at a much higher price than you would be able to sell probably later on, let us say. So, the price trajectory has moved upwards because of that tight inventory. The pain, the loss, or whatever perceived loss from the distillery section, which will come to every company, will be answered by an increase in sugar price. There may be cane price increase, yes. So, you are seeing some positives, some negatives. There will be some cost pressure, there will be some realization gain. It is impossible to quantify that today. Having said that, the sugar price is the biggest delta in a company like ours or in any company. If there is a delta upwards on the sugar price, which I am sure of it, so the average has moved up. As you see, the base has moved up and firmly, sustainably so. So we know the sugar price base has moved up. All our assumptions, as I said, when we know. We know cane price might go up. We know distillery may be banned from making B-heavy or juice. Keeping all these variables together on a single page and trying to work out numbers, I am not thinking that we will end up very negative in this calculation.

Sanjay Manyal: Right. Basically what I could understand, the benefit of higher sugar price will be much more than all the negatives which probably will come with it?

Vivek Saraogi: Maybe not much more, but yes, it could be more.

Sanjay Manyal: Okay, right, sir. My last maybe if you allow me, a question on PLA, what is the status of the PLA project? And in the first year what kind of an utilization we are expecting?

Probably now we are very close to the project commissioning. I am sure we would have some bit of a target or some bit of an idea about what kind of utilization in the first year itself can happen.

Vivek Saraogi: So, Sanjay, as far as commissioning goes, it looks, you know, lactic we should be able to commission in October and PLA in December. And how the production, quality, timing and quantity play out, we are very clear that it will play out. We do not know, as I said, it is a new business, and one does not know anything.

Moderator: The next question is from the line of Pankaj Tibrewal from Ikigai Asset Manager.

Pankaj Tibrewal: Just a quick one, recently we saw there was some news on gutka guys being banned on using plastics. I believe it is a very big thing for us from a PLA perspective. If you can just kind of throw some light on how big that opportunity could be and what is the current regime and how is the discussion with those guys going on, it will be quite helpful. I will follow up with the second question, as to what is the kind of opportunity you see here?

Avantika Saraogi: Thank you for the question. So yes, there is definitely movement happening in more sustainable packaging for pan masala, gutka, and we are pretty much in the thick of it. This is still a dynamic agenda, while we have had very good, successful technical trials. I think we will see the results unfold in the next two-three months. This is the best I can tell you today.

Pankaj Tibrewal: Can this kind of a change, if it moves in the right direction, absorb our entire capacity? Is it that large an opportunity?

Avantika Saraogi: Largely, it could.

Vivek Saraogi: So, Pankaj, I think we are being defensive, and let me just put it in my way. The mandate is at a good advanced stage. There have been trials which have been positive at the consumers end as well. The opportunity is large. It will all scale up and become larger. Why would it not spread to other snacks? I do not know. So the opportunity is very large. It has to play out. The beginning and the first round should define and give us a better idea of the terrain when we enter.

Pankaj Tibrewal: Fantastic. Just a medium-term question, everybody is focused on next 3 months, 6 months, commissioning, capacity utilization. But if we take a slightly medium-term outlook for the company as a whole, can you give us that this INR 3,000 to INR 3,200 crore capex, can it create a parallel Balrampur which we have seen today? Just is that the right thought or right direction, provided certain things start stitching together in terms of product lines on PLA, a parallel Balrampur can be created? Any thoughts on that?

Avantika Saraogi: If I have to answer it very blatantly, definitely yes. I think we could. I just want to address little bit what we expect within this financial year. So, we expect that from January to March we will have quality production which will be sold. The quantification of it would be little bit difficult to give today, but a safe expectation maybe around 40% on average capacity utilization we should be able to achieve. It should be better than that, but this is assuming that things go as per plan and that is our target. Actually target is higher, but that should be easily achievable. That guidance is something that I am giving.

Vivek Saraogi: So, Pankaj, again trying to answer it very clearly, if things go right, definitely. And I have no reason to believe, or we have no reason to believe, with the evidence gathered in the journey till date, that this cannot be a reality. This is, however, our first attempt, so as you said, some patience and some tolerance, which you have outlined in your question itself.

Pankaj Tibrewal: Yes. So that is quite good and wish you all the best. I think we are embarking on a very different journey of creating what is our next growth lever for Balrampur could be. Wish you all the best. Thank you.

Vivek Saraogi: Something great for the country, maybe.

Moderator: The next question is from the line of Prashant Biyani from Elara Capital.

Prashant Biyani: Sir, given the current scenario of below normal rainfall in many parts of India, how would be the cane crop quality in your command area in comparison to generally how the quality has been in yesteryears?

Vivek Saraogi: For Balrampur, the rainfall witnessed till date, which is as we speak, has been absolutely ideal for cane. And there is no El Niño in our area, because a little less rainfall in East UP improves the recovery only. So we are positively inclined for our crop till now. This El Niño is a bigger paper scare, at least for the cane crop, than reality. Even Maharashtra dams, reservoirs, maybe some parts of Karnataka, some parts, but the rest is much better than media is making it out to be. Again, personal view, all to be vetted in September.

Prashant Biyani: Sure. Sir, on PLA, we have told historically that we would be targeting areas where the cost of PLA would be least in terms of total product cost. So, on the business development slide, we have mentioned about, garbage packages, bags or lunch boxes and others, but how is the business development going on in the product segments where PLA cost would be least in terms of total product cost?

Avantika Saraogi: First of all, the items you are mentioning are banned in plastic. That is definitely why PLA and compounds of PLA work, this has been happening even since before we announced any capacity. Straws, largely of all organized players are made out of PLA. Garbage bags have a percentage of PLA as a compound. You know, there are many, carry bags etc also. So, in that place, we are quite successful. Other than that, this flexible packaging is a fraction of a cost of the finished product. Especially, as mentioned, in the pan masala and gutka category, where other material prices such as aluminium, etc., are going up significantly, PLA actually becomes very viable. We are cost-wise quite competitive now, so we do not see cost being much of a barrier. Definitely, for banned goods, their cost is not that much of a barrier either. We are progressing very well.

Moderator: The next question is from the line of Shailesh Kanani from Asian Market Securities.

Shailesh Kanani: I had few queries. First, with respect to the recent FSSAI recent notification, so you have answered it in a partial manner, but I wanted to know are there any other primary material alternatives to the pan masala industry apart from PLA to your mind? Because even that opportunity can be very big. If you can kind of throw some light on that.

Avantika Saraogi: Yes, good question. Definitely, PLA is one of the primary materials. Without PLA, to some extent or in some percentage, it would be difficult to exist without it. An alternate primary would definitely be paper and that would exist probably along with PLA, but it cannot exist alone. That is the thing. So, it is either PLA in whole or PLA in some percentage, but PLA would be required considering the requirements of the packaging.

Shailesh Kanani: That is very encouraging for us considering the tonnage. If you can just give some numbers here, what can be the tonnage consumption, and what could be the potential addressable here?

Avantika Saraogi: Actually, to finding reliable, organised data is unfortunately difficult, as we have not been able to find verified data on this. However, we see it as a very large market. I cannot put a number to it because it is not verifiable. If you have any verified numbers, I would actually like to get them from you instead.

Shailesh Kanani: Yes, because I also have tried to search it, because there are multiple organized and unorganized players as well over here. That is the reason I thought maybe you will have some more color on that.

Avantika Saraogi: To be able to say it with precision, I cannot throw a number. It would be irresponsible, but it is large, let us put it that way.

Shailesh Kanani: Yes. It is quite large. Thanks for answering that, Avantika. My second question was with respect to our distillery segment. This quarter, the margins have been quite resilient, right? Especially, what key factors has helped that, because there has been a sharp rise in transfer pricing, right? Considering that, more than 80% of sales have come through sugarcane as a feedstock. What were the reasons and what worked in terms of margins, and are these margins sustainable?

Pramod Patwari: So, Shailesh, margin will vary on a quarter-to-quarter basis, depending upon what feedstock we are using for distillation. In the quarter gone by, it was largely B-heavy and the maize-based ethanol. There was hardly any sale on account of juice-based ethanol. That is the reason margins are at a good level.

Shailesh Kanani: What I was trying to understand is that the transfer pricing has gone up on a year-on-year basis, right? There is a good 20% jump in terms of transfer pricing, and more than 80% has come through the sugarcane route. So I was wondering if something has happened. Just wanted to understand the margin perspective over here.

Pramod Patwari: Shailesh, this quarter being a seasonally weak quarter, whatever expenditure we incur in the Maizapur distillery, that was retained in the sugar division itself because we have intention to run on sugar, not on juice-based. Otherwise, it would have been transferred to distillery division.

Vivek Saraogi: So apples to apples, this may not look comparable is what we are saying.

Pramod Patwari: Yes.

Vivek Saraogi: Right. That is your query answered then.

Shailesh Kanani: Okay. Just to conclude on this, margins might come down for the distillery division if we kind of continue on sugarcane for the ensuing quarter, is that the right assumption?

Vivek Saraogi: One will take away, one will give. Let me probably explain a little better. If you do not make B-heavy, you will not lose sugar. You will make more sugar. Because what is B-heavy? Sugar is converted into ethanol, sugar (having starch). So you will make more sugar, if you make more sugar, you will make more money on sugar sales in both quantity and price. As I attempted to explain in the beginning, this will be in our calculation, positive net-net, that is what it looks like.

Shailesh Kanani: Fair enough, sir. Thanks a lot. Just last question from my side. You have also answered this a little bit, but if you can give some color in terms for us to build in ethanol volumes, in terms of mix as well, for FY28. It would be helpful considering there are too many moving parts.

Vivek Saraogi: Shailesh, first let the Government policy come. Once it comes, we will have some more idea. Sanjay Manyal did post a nice number in the beginning. We had not done the numbers in detail because this news has been floating around only for the last one or two days. What he says looks like it is accurate.

Shailesh Kanani: Okay. Fair enough, that is helpful. Any number we are working with in terms of SAP hike, considering the sugar prices and in general, we are entering into state elections next year?

Vivek Saraogi: As you know, earlier I would have thought that if prices remain benign, the hike may not have happened. But in all probability, now definitely there will be some hike. As I said in the beginning, I am assuming sugarcane price hike, I am assuming ban on diversion, built-in some numbers for sugar realization. At the end of the day, the debit and credit, net we should come out as a winner. That is what I said in terms of numbers. That is our best guess right now.

Moderator: The next question is from the line of Vikram Suryavanshi from Phillip Capital India Private Limited.

Vikram Suryavanshi: Just to cross-check, is there any change from the earlier quarter in what you have given as the closing, consumption and production for this year? Is there any material change? Because I am getting different numbers from different sources, so I just wanted to know what our numbers are. I wanted the sugar balance sheet numbers for the country for 2025-26. What are our estimates for production, consumption, and closing stocks?

Vivek Saraogi: No, I will not hazard a guess today.

Vikram Suryavanshi: For this year, 2026.

Vivek Saraogi: 2026 also, I do not want to say because there is so much of confusion going around. ISMA is putting a particular number, Government is saying something, market players are saying something. No point attempting. All I said, and I maintain, the market has moved prices to the current level assuming a number which is probably lower than reality. I am just giving a figure, assume market is thinking closing stock is 30 lakh tonnes, it will be 35 lakh tonnes.

Vikram Suryavanshi: Got it. Because I was wondering we are close to the season and still there is a variation of almost as high as 2 million in the closing stock from different sources.

Vivek Saraogi: No, 2 million is all crap, nonsense.

Vikram Suryavanshi: No, from the lower side of number to higher side of closing number. So it's the difference between higher and lower.

Vivek Saraogi: 2 million is not possible. That is all I can say.

Vikram Suryavanshi: Just on our company, obviously, we have seen good improvement in cane crushing, despite challenges being there in most of the states. How much incremental benefit can we see in terms of cane area? Obviously, there are yield and other varietal benefits, but at least in terms of cane sowing area, how is the situation for 2027 compared to last year?

Avantika Saraogi: We have had a good sowing season. We do not see any problems. We can't speak for the whole country, but for our Company we have had a good sowing season.

Vivek Saraogi: Yes, but the area may be kind of flat, but the yield looks much better.

Vikram Suryavanshi: Okay. Any comment on international demand-supply situation?

Vivek Saraogi: No. The narrative, as you understand in the stock market, keeps moving. El Niño, the media, all the narratives keep moving in one direction. So, it is not as alarming as people are making it out to be. But yes, the situation is a little tight. So, if it is 10 units tight, people are thinking it is 20 units tight, but it is tight. But let us not overplay the hand, like you said, 2 million, this is the kind of rumor-mongering which creates excessive speculation. I am not blaming you, I am saying this is how people are playing it.

Vikram Suryavanshi: Got it, I was just trying to get your views on Brazil production or how international output looks like?

Vivek Saraogi: Pramod, you want to answer that, international Brazil, Thailand.

Pramod Patwari: Brazil is expected to be at around 40 million tons. As of now, ethanol is more profitable in Brazil, so the diversion towards sugar will be on a lower side. EU, we are seeing some contraction in the sugar production. Overall, there may be a deficit of 1 to 2 million tonnes, but it is too early to give any number as of now.

Moderator: The next question is from the line of Tanuj Nangalia from SKP Securities Limited.

Tanuj Nangalia: Sir, wanted to understand that this tight closing stock, when will it be normalized? Thinking about the sugar realization, the higher sugar realization can continue for more than a year or so, maybe not 46 levels, but at least 43 levels. When can we see the stock of around 5 million tonnes? How long will it take to normalize?

Vivek Saraogi: Okay, let me answer that. Probably in one year, because if they do not allow diversion next year, and assume the gross production is 31 million tonnes, consumption is 29 million tonnes and 3-odd million tonnes is the closing stock. Give or take 5 lakhs tonnes here and there, 5 lakhs tonnes on the upward side. Even if consumption is to move a little, 45 to 50 lakh tonnes, you could see on 1st October 2027. Having said that, probably the levels of prices you said, I am looking north of that in the upcoming years.

Tanuj Nangalia: One more question on the PLA side. Like in the news today, that pan masala packaging should be free from plastic and synthetic polymers, would PLA qualify for that?

Avantika Saraogi: This is something which is in a bit of a dynamic stage. Yes and no is the answer, which is what we are getting clarification on.

Vivek Saraogi: But yes, just wait for a bit, everything will be clarified.

Avantika Saraogi: Just wait for a short while.

Moderator: The next question is from the line of Divyansh Thakur from Fintrest Capital.

Divyansh Thakur: I just wanted to ask about what you mentioned regarding the 40% minimum capacity utilisation. If we are starting from January, what kind of capacity utilisation are we looking at, not just in the short term, but in the medium term? And what all things are lined up, and what policies are there? I just wanted to get some information on that.

Vivek Saraogi: Again, let me attempt. This is something new for us. Is this a global first? No. Do we have the best technology suppliers? Yes. We have run distillery business. So one is a little more sure than probably an absolute newcomer. Having said that, we are a bit of a newcomer. Again, I say, if you I am not pushed by a quarter, why not 100% capacity utilization. But it will take some time. So, it is impossible to do this quarter numbers on this business, before it is even begun. The macro, and I think Pankaj

Tibrewal put it very well. If we do not see 3 to 6 months at best, one should feel that it is going to be very positively inclined. We will get the quality, we will get the market, is our view. So do not attempt, please, and this is a humble request, do not please attempt to put quarter one on it, at least.

Divyansh Thakur: No, absolutely. I am not taking a short-term view, I am thinking mid to long-term view.

Vivek Saraogi: Mid to long term 100%, why not.

Divyansh Thakur: Just to get your view on the mid to long term, I understand that we are new to this business, but we would have had discussions in the internal meetings. How do we see it panning out, is everything inclined towards us?

Vivek Saraogi: As I did say, internally all evidence gathered till now is all looking positive, both on the marketing front and on the production front.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for their closing comments.

Vivek Saraogi: Thank you. Just one more request, let us not fall prey to rumours, and let us all keep a calm mind. We remain positively inclined and would request a little bit of patience on the PLA business. On sugar, as I have told you, we remain positive and look forward with confidence. Thank you, and if anyone has any further questions, please feel free to contact us. Thank you very much.

Pramod Patwari: Thank you so much.

Avantika Saraogi: Thank you.
