

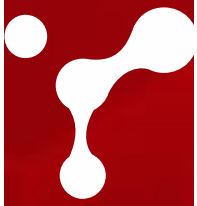


BLACK ROSE INDUSTRIES LTD.

Q3 FY2021-22 EARNINGS WEBINAR
February 9, 2022

Mr. Anup Jatia – Executive Director

Mr. Ambarish Daga – Joint CFO and Investor Relations Officer



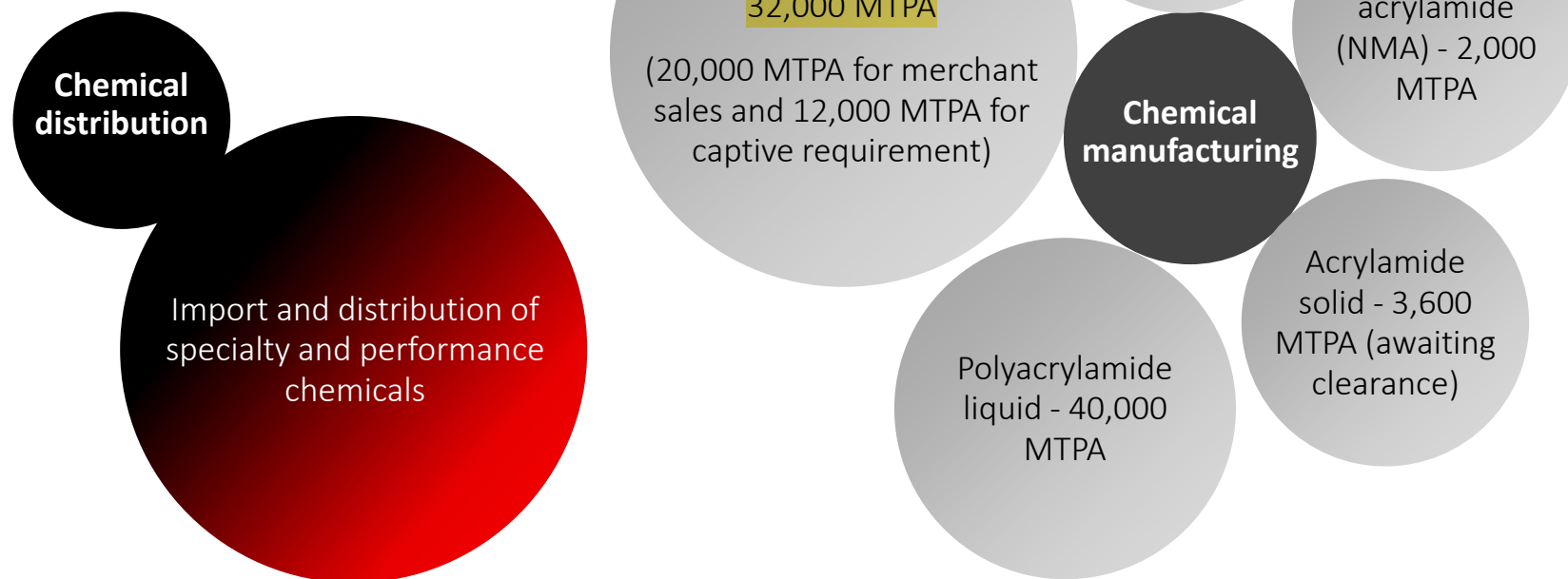
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Business presence of Black Rose



Legacy/other businesses: The Company is also engaged in the manufacture of fabrics and made-ups for industrial applications at Kolhapur (Maharashtra), and renewable energy (a windmill each in Gujarat and Rajasthan). **These businesses contribute less than 1% to the company's revenues.**

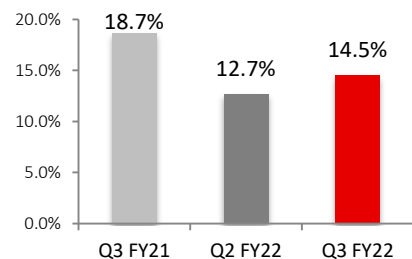
B.R. Chemicals Co., Ltd.: A 100% subsidiary in Japan engaged in local distribution and export of chemicals

Financials – Profit & Loss (Standalone)*

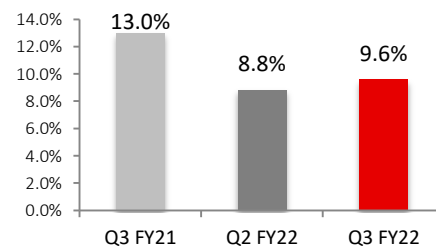
INR. in millions

Particulars	Q3 FY22	Q2 FY22	Change %	Q3 FY21	Change %
Revenue from operations	924.11	1,020.02	-9%	744.17	+24%
EBITDA	133.82	129.17	+4%	139.42	-4%
Depreciation	6.65	6.51	+2%	7.00	-5%
PBIT	127.17	122.66	+4%	132.42	-4%
Interest	1.95	2.70	-28%	2.11	-8%
PBT	125.22	119.96	+4%	130.31	-4%
Taxation	32.85	29.71	+11%	33.33	-1%
PAT	92.37	90.25	+2%	96.98	-5%
* Not including 100% subsidiary B.R. Chemicals Co., Ltd., Japan		Change % from Q2 FY22 to Q3 FY22		Change % from Q3 FY21 to Q3 FY22	

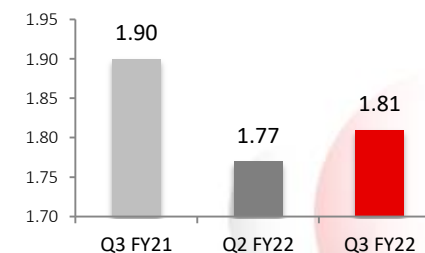
EBITDA Margins (%)



PAT Margins (%)



EPS (Rs.)



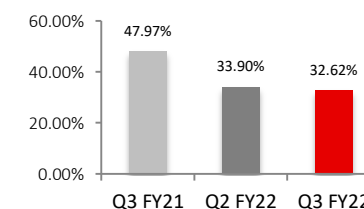
Financials – Balance Sheet (Standalone)*

INR in millions

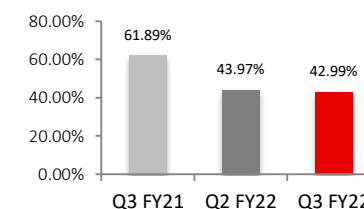
Particulars	Q3 FY22	Q2 FY22	Q3 FY21
Sources of Funds			
Equity Share Capital	51.0	51.0	51.0
Reserves & Surplus	1081.5	1014.0	757.8
Net Worth	1132.5	1065.0	808.8
Deferred Tax	36.0	35.6	35.7
Loans	-11.1	154.0	217.8
Total Sources	1157.4	1254.6	1062.3
Application of Funds			
Gross Block	587.3	575.0	553.4
Less: Depreciation	256.4	252.1	238.0
Net Block	330.9	322.9	315.4
Capital WIP and Right of Lease (net)	114.5	109.8	100.3
Investments	1.6	1.6	1.6
Other Non Current Assets	6.0	5.9	5.1
Current Assets, Loans and Advances			
Inventories	328.7	226.7	254.6
S. Debtors	563.4	711.5	480.2
Cash & Bank Balances	54.1	51.0	84.4
Loans & Advances	1.3	1.3	0.5
Other Current assets	30.4	33.0	30.0
Total Current Assets	977.9	1023.5	849.7
Current Liabilities and Provisions			
S. Creditors	202.7	164.8	147.0
Other Current Liabilities	54.2	30.6	50.7
Provisions	16.6	13.8	12.1
Total Current Liabilities and Provisions	273.5	209.2	209.8
Total Applications	1157.4	1254.6	1062.3

* Not including 100% subsidiary B.R. Chemicals Co., Ltd., Japan

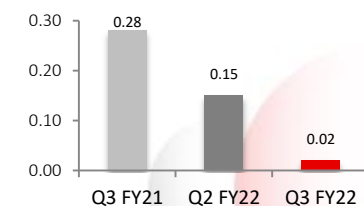
Return on Equity (%)



Return on Capital Employed (%)

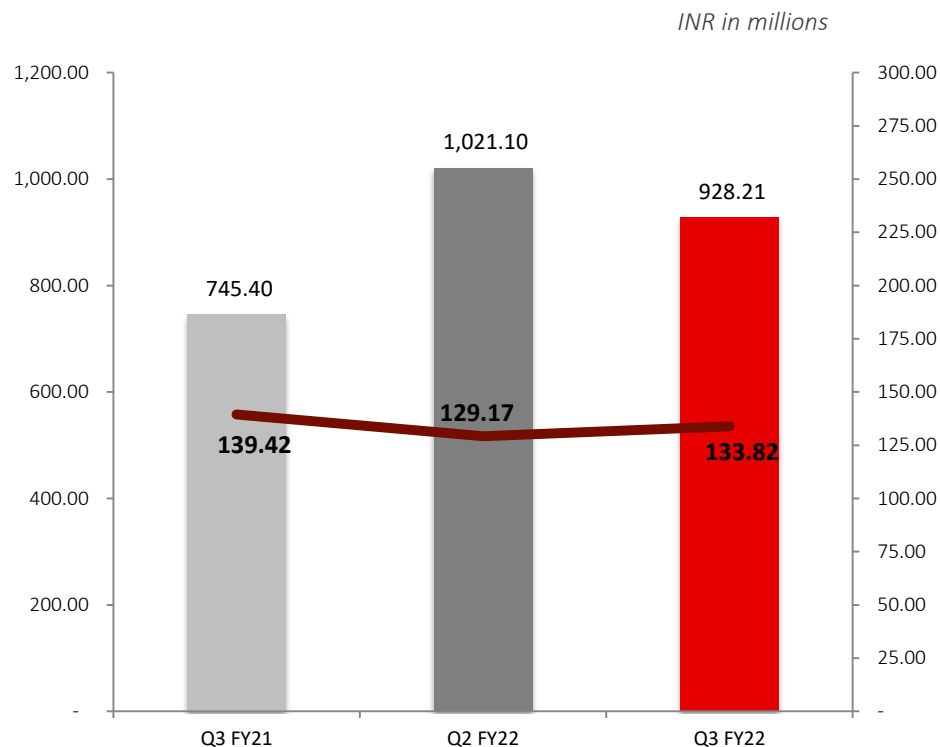


Total Debt/Equity (X)



Financials – (Standalone)*

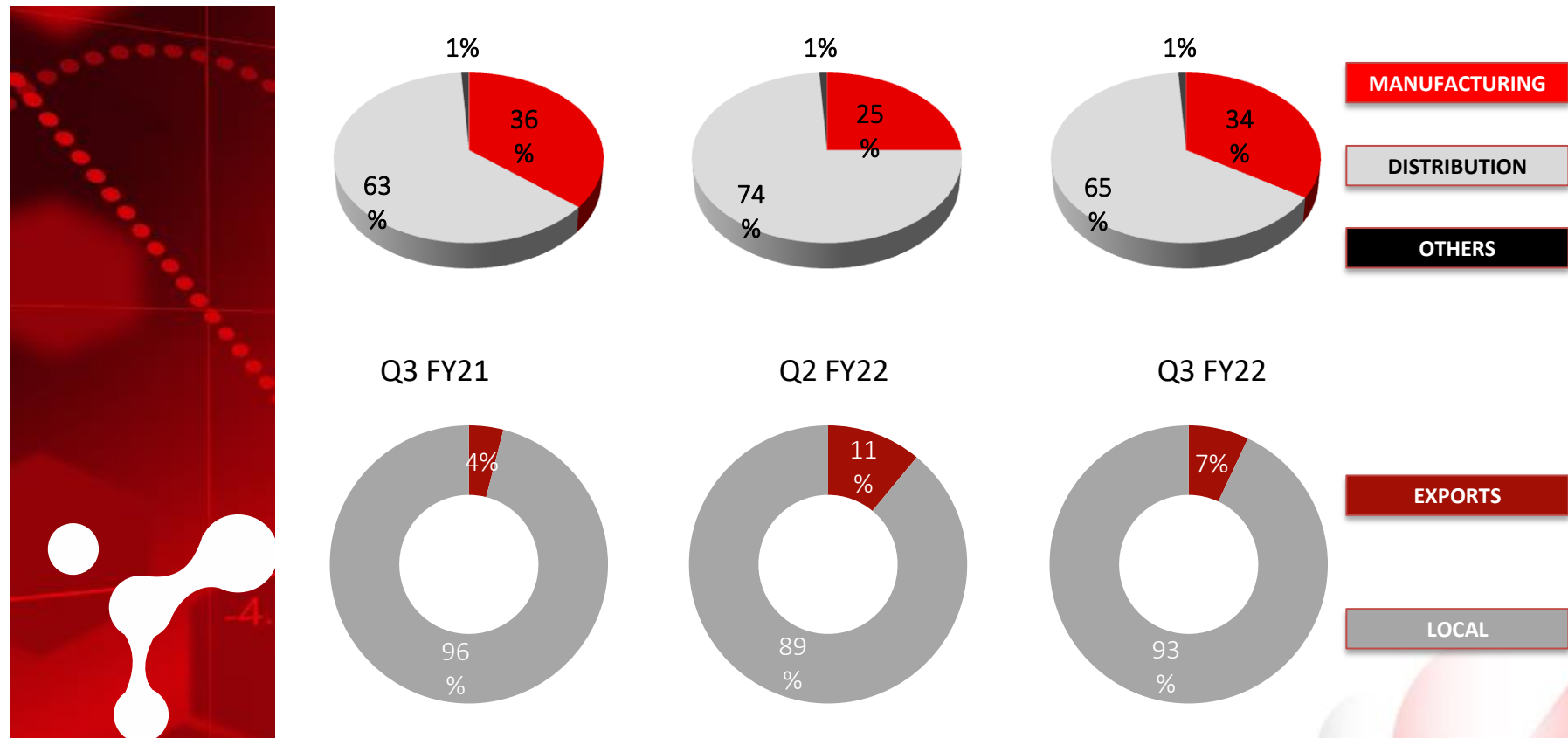
Total revenue and EBITDA



Highlights

- Overall product realization per unit increased in both manufacturing and distribution business
- Exports were hampered by high freight costs and reduced overseas demand
- Despite increase in sales of manufactured products, overall revenue was down due to lower sales of meta cresol and isophthalic acid

Financials – Revenue and geographic mix

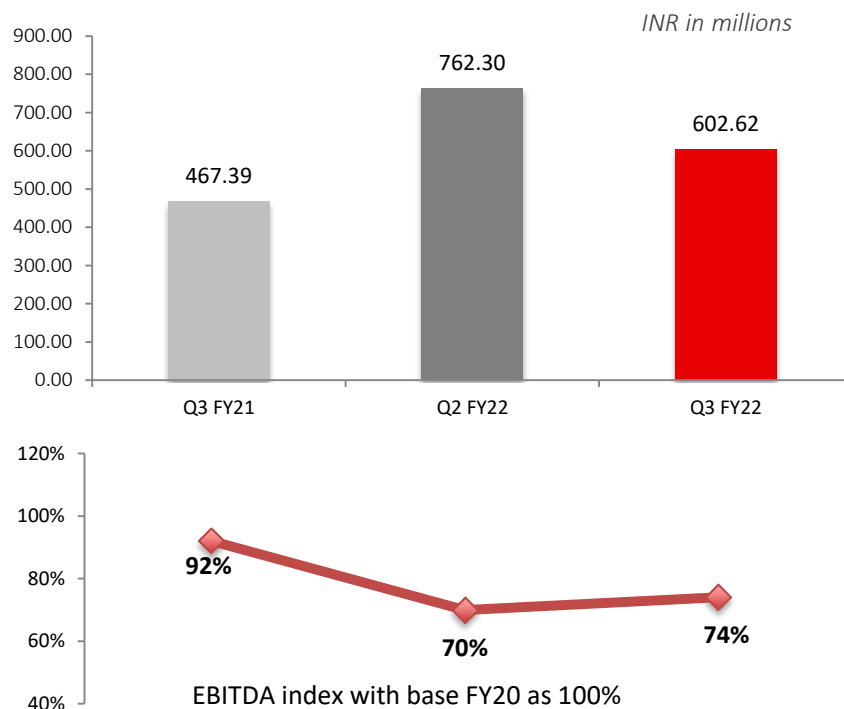


Figures rounded off to closest unit percentage

Financials - Distribution



Total distribution revenue and EBITDA index

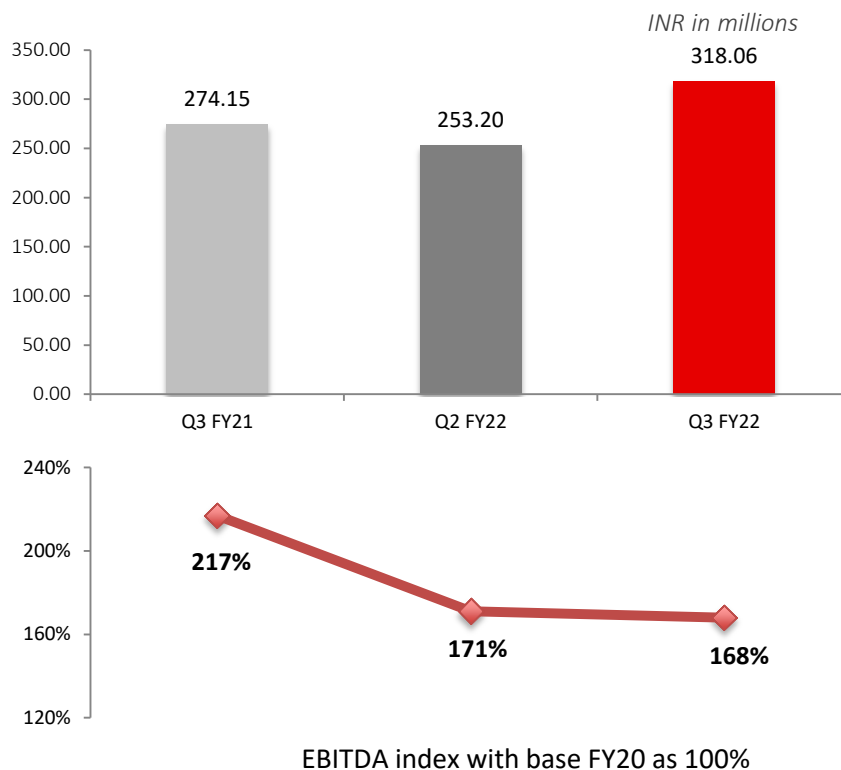


Highlights

- Overall increased margin in distribution business due to change in product mix
- Pandemic third wave led to slowdown towards the end of the quarter
- Demand for and price of resorcinol continues to be under pressure due to oversupply in China
- New product addition such as hexamine and neo pentyl glycol expected to augment growth going forward

Financials - Manufacturing

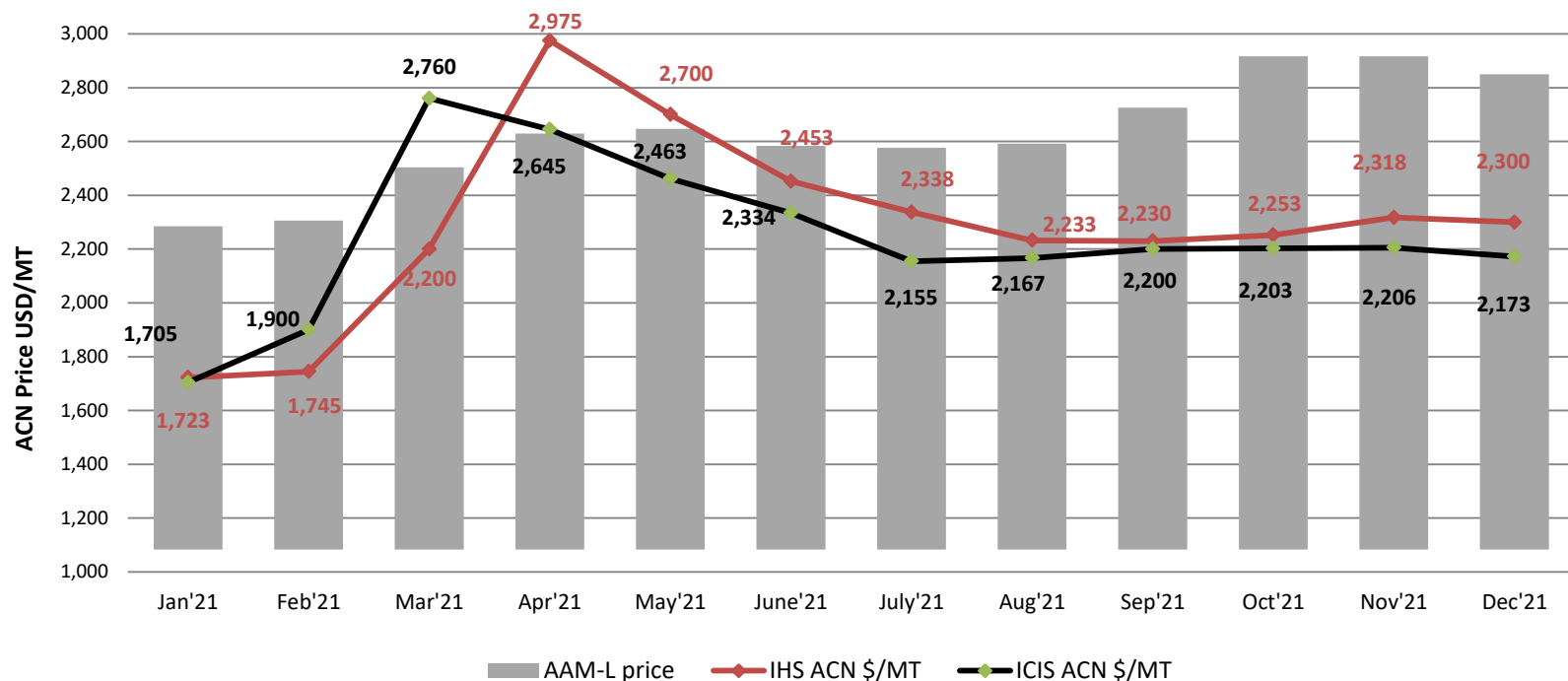
Total manufacturing revenue and EBITDA index



Highlights

- Acrylamide liquid demand was robust in domestic market
- Price of AAM-L increased by more than 15% and that of PAM-L by more than 10%
- Surge in sales of polyacrylamide liquid as new customers added
- Margin in PAM-L reduced due to increase in acrylic acid and caustic prices
- Capacity utilization of 60% in AAM-L and 33% in PAM-L
- AAM-Solids and NMA to add to revenue in Q4 subject to approvals


Acrylonitrile – Acrylamide Price Trend




Outlook for the current quarter:

Chemical distribution, and manufacturing

Chemical distribution

- Overall demand which was sluggish at the beginning of the quarter is now picking up subsequent to easing of the pandemic
 - Better price realization expected owing to supply disruptions from China resulting in reduced product availability
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Acrylamide liquid

- Domestic demand remains stable
 - Market share expected to increase further
 - Falling raw material price expected to boost margins
 - Exports expected to pick up towards the end of the quarter
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Polyacrylamide liquid

- Market share improving and expecting 50% growth this quarter
 - Further improvement to product performance to boost market penetration
 - Falling raw material price expected to increase margins
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