

05<sup>th</sup> February, 2025

BSE Limited,  
Corporate Relationship Department,  
P.J. Tower, Dalal Street,  
Mumbai -400 001.

**Scrip Code: 514183**  
**ISIN: INE761G01016**

Dear Sir/Madam,

**Sub: Performance Review Q3 FY25 and Business Update**

Please find enclosed Performance Review of the Company for Q3 FY25 for the information of all the stakeholders of the Company.

The above information will also be made available on the Company's website, [www.blackrosechemicals.com](http://www.blackrosechemicals.com)

You are requested to take the same on your record.

Thanking you,

Yours Faithfully,

**Ankit Kumar Jain**  
**Company Secretary and Compliance Officer**

Encl: as above

**Black Rose Industries Ltd.**

145/A, Mittal Towers, Nariman Point, Mumbai - 400 021, INDIA

Tel.: +91 22 4333 7200 / 2282 4075 | Fax: +91 22 2287 3022

E-mail: [investor@blackrosechemicals.com](mailto:investor@blackrosechemicals.com) | Website: [www.blackrosechemicals.com](http://www.blackrosechemicals.com)

CIN No.: L17120MH1990PLC054828

Factory : Shree Laxmi Co-op. Industrial Estate Ltd., Hatkanangle, Dist. Kolhapur, Maharashtra, INDIA

## PERFORMANCE REVIEW Q3 FY25 AND BUSINESS UPDATE

### PERFORMANCE REVIEW

The company achieved improved operational margins despite challenging market conditions. The distribution division delivered stable performance, with a significant boost in merchant exports particularly driven by the U.S. oil and gas sector. The company's diverse portfolio, competitive edge, and growth prospects reinforced the company's performance.

The standalone and consolidated revenue and profits for Q3 FY 25 vis-à-vis Q2 FY25 are as follows:

	Q3 FY25		Q2 FY25		Change	
	Standalone	Consol.	Standalone	Consol.	Standalone	Consol.
<b>Total Revenue</b>	88.66	87.68	99.48 <sup>#</sup>	124.16	-10.88%	-29.39%
<b>Dividend from Subsidiary</b>	-	-	5.63	-	-100%	-
<b>Revenue</b>	88.66	87.68 <sup>*</sup>	93.85	124.16	-5.54%	-29.39%
<b>EBITDA</b>	9.03	8.77	13.05 <sup>#</sup>	7.52	-30.75%	+16.60%
<b>PBT</b>	7.95	7.68	12.02 <sup>#</sup>	6.50	-33.92%	+18.23%
<b>PAT</b>	5.91	5.70	10.27 <sup>#</sup>	4.71 <sup>#</sup>	-42.45%	+21.11%

all numbers in ₹ crores

<sup>\*</sup>Consolidated figures shown include exchange fluctuation

<sup>#</sup>Inclusive of dividend income of Rs.5.63 crore received from subsidiary, as per Indian Accounting Standards

The standalone, segment-wise results for Q3 FY25 vis-à-vis Q2 FY25, not including the dividend received from subsidiary in the previous quarter, are as follows:

Period	Distribution		Manufacturing		Unallocated <sup>*</sup>		Total	
	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
<b>Q3 FY25</b>	66.03	6.47	21.77	3.71	0.86	-1.15	88.66	9.03
<b>Q2 FY25</b>	68.48	6.00	24.35	2.80	1.02 <sup>#</sup>	-1.38 <sup>#</sup>	99.48	7.42 <sup>#</sup>

<sup>\*</sup>Includes administrative and CSR expenses

all numbers in ₹ crores, standalone

<sup>#</sup>Not including dividend Rs.5.63 crore received from subsidiary



Comparison of key financial indicators (standalone) during the current, previous, and corresponding quarters are as below, not including the dividend received from subsidiary in the previous quarter:

Parameter	Q3 FY 24	Q2 FY 25	Q3 FY 25
Distribution : Manufacturing Revenue	1.93 : 1	2.81 : 1	3.03 : 1
Debt : Equity Ratio	0.005	0.105	0.166
Quarterly Interest Coverage Ratio (times)	39.08	28.54	27.85
Quarterly Inventory Turnover Ratio (times)	1.76	1.93	1.05
Quarterly Return on Equity	15.64%	13.15%	16.12%
Current Ratio (as at end of quarter)	8.44	3.29	2.63
Quick Ratio (as at end of quarter)	5.88	1.60	1.10
EBITDA Margin	13.68%	7.97%	10.30%
Net Profit Margin	8.89%	5.00%	6.77%

## **BUSINESS UPDATE**

### ***B. R. Chemicals Co., Ltd. – Wholly-owned Subsidiary:***

The company's subsidiary, B. R. Chemicals Co. Ltd., was formed to develop closer relationships with Japanese vendors and customers and to engage in domestic trade. After a comprehensive review of the operations of the company, the directors of the subsidiary concluded that the role of B.R. Chemicals has been fulfilled and although the business being carried out was profitable it did not add any significant value to its parent company. Accordingly, it was decided to close the operations of B.R. Chemicals with effect from January 30<sup>th</sup>, 2025. The fall in revenue during the period led to improved cash flow and a 66% increase in profitability on a consolidated basis for Black Rose Industries Ltd.

### ***Manufacturing Division:***

In Q3 FY25, the company achieved steady performance in the acrylamide segment, leveraging strategic initiatives to improve margins despite market challenges. Its focus on innovation through R&D efforts and sales growth through exports are expected to drive future sustainable growth.

### ***Acrylamide Liquid:***

Demand for acrylamide liquid remained stable during the quarter. While the CIF India price of acrylonitrile, which started the quarter at \$1,200/MT, increased over the period, the company successfully improved its margins through strategic raw material procurement and efficient logistics management. Net realizations declined due to higher domestic sales in November but picked up sharply in the month of December with increasing exports.



*Acrylamide Solid:*

As the only manufacturer of acrylamide solids outside China, the company benefitted from an increase in ex-China prices during the quarter due to their rising raw material costs. The company maintained a healthy order book, supported by strong demand from regular customers.

*Polyacrylamide Liquid:*

The Morbi ceramic tile industry continued to face sluggish demand with a reduction in export volumes; however, the company successfully expanded its market presence with the launch of its new and more robust ceramic binder variant supported by several years of R&D efforts. The company's new product has consistently performed better than the incumbent leader's product, and is gradually being rolled out in the Morbi market. This initiative will enable the acquisition of new customers and market share, positioning the company for growth in the upcoming quarters. Sales in the month of January were 50% more than the sales for the preceding three months.

*N-Methylol Acrylamide (NMA):*

The company produces two grades of n-methylol acrylamide (NMA): NMA 48% and NMA LF. Domestic sales saw a marginal decline due to order rollovers from key customers. Meanwhile, the company remains focused on expanding its export footprint to drive future growth.

***Distribution Division:***

The distribution business delivered stable volumes during the quarter, with merchant exports doubling as demand from the U.S. oil and gas sector rebounded. Key products - including resorcinol, ethanolamines, purified isophthalic acid, and meta-cresol - contributed significantly to both revenue and profits. Sales volume of resorcinol fell compared to the previous quarter due to price-undercutting by the sole domestic producer. Nevertheless, the company's stock-and-sale business backed by robust supply partnerships, ensured consistent profitability by focusing on product availability and reliable service. Overall, performance remained steady, reinforcing the company's leadership in key distribution products.

**OUTLOOK**

***Manufacturing Division:***

Acrylamide liquid sales are expected to see robust growth this quarter, driven by a fall in ocean freight and our focus on exports. Acrylamide solid sales are expected to increase as well, benefiting from competitive pricing dynamics as well as the increased US tariffs on Chinese goods. In the ceramic binder field, our new product is anticipated to enhance sales further and allow us to gain market share, despite ongoing sluggish demand. Sales of NMA are likely to hold steady. Overall, the manufacturing segment is on track for consistent growth, fueled by the company's proactive and strategic initiatives.

***Distribution Division:***

The company anticipates overall sales volumes and profitability to remain stable for the upcoming quarter. Strong demand is expected from merchant exports, supported by the tariffs being imposed on Chinese goods in the US and no sign of China backing down. Despite intensifying local competition and occasional supply constraints in ethanolamines, the company remains committed to expanding its market shares by maintaining the high level of reliability and competitiveness it is known for.



## **PROJECTS AND EXPANSIONS**

The company has appointed a Vice President - Innovation to enhance its R&D capabilities. The R&D department is focused on completing its development of polyacrylamide solids technology by the end of the year. The new R&D center in Navi Mumbai is on track to be operational by the end of this quarter, reinforcing the company's commitment to innovation. In parallel, an Environmental Clearance (EC) application for a future brownfield specialty chemicals expansion project at the Jhagadia site is being filed during the week. For further manufacturing expansions, the company is also in the process of securing land near Dahej. These strategic initiatives are designed to strengthen the company's manufacturing footprint and capitalize on emerging growth opportunities.

**For Black Rose Industries Ltd.**

**Ambarish Daga**

Director, Joint CFO and Investor Relations Officer

Date: February 4, 2025

## **DISCLAIMER**

Some of the statements in this press release may be forward-looking statements or statements of future expectations based on currently available information. Such statements are naturally subject to risks and uncertainties. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference in the company's operations include the availability of raw material/product, cost of raw material/product, changes in demand from customers, fluctuations in exchange rates, changes in government policies and regulations, changes in tax structure, economic developments within India and the countries in which business is conducted, and various other incidental factors. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in making any assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.