

August 13, 2021

BSE Limited  
Corporate Relationship Department,  
P. J. Tower, Dalal Street,  
Mumbai - 400001.

Dear Sir,

**Sub: Outcome of Board Meeting held on August 13, 2021**

We wish to inform you that the Board of Directors at their meeting held today, amongst other matters, have considered and approved the following:

1. The Standalone and Consolidated unaudited financial results for the quarter ended 30<sup>th</sup> June, 2021.  
  
A copy of the results and limited review reports thereon issued by the Statutory Auditors of the Company are enclosed herewith.
2. Annual General Meeting of the Company will be held on Wednesday, September 29, 2021.
3. The book closure is fixed from 23<sup>rd</sup> September, 2021 to 29<sup>th</sup> September, 2021 (both days inclusive) for the purpose of Annual General Meeting and Dividend.

Further, the members of Nomination and Remuneration Committee at its meeting held today elected Mr. Rishabh Saraf, Non-Executive Independent Director of the Company as Regular Chairman of the Committee.

The Meeting of the Board of Directors commenced at 12:02 p.m. and concluded at 12:43 p.m.

Thanking You,  
For **Black Rose Industries Limited**



**Nevil Avlani**  
**Company Secretary and Compliance Officer**

**Black Rose Industries Ltd.**

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CIN No. : L17120MH1990PLC054828

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

**BLACK ROSE INDUSTRIES LIMITED**

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CIN : L17120MH1990PLC054828

# BLACK ROSE

Figures ₹ in Lacs except EPS

**STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2021**

NO.	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		30.06.2021 (REVIEWED)	31.03.2021 (AUDITED)	30.06.2020 (REVIEWED)	31.03.2021 (AUDITED)
1	2	3	4	5	6
1	Revenue from operations	6,057.77	6,781.33	2,629.45	23,509.88
2	Other Income	9.65	14.03	11.86	58.16
3	<b>Total Revenue (1+2)</b>	<b>6,067.42</b>	<b>6,795.36</b>	<b>2,641.31</b>	<b>23,568.04</b>
4	<b>Expenditure</b>				
a)	Cost of materials Consumed	1,476.63	987.97	622.71	4,164.52
b)	Purchase of stock-in-trade	2,449.11	4,932.55	1,124.76	14,123.99
c)	Changes in Inventories of finished goods, work-in-progress and traded goods	427.61	(1,104.30)	78.86	(1,129.98)
d)	Employee benefits expense	153.61	161.46	127.18	613.01
e)	Finance costs	28.30	14.83	41.16	120.44
f)	Depreciation and amortisation expense	65.00	54.15	65.91	257.82
g)	Other expenses	495.90	555.16	292.07	1,836.08
	<b>Total Expenses</b>	<b>5,096.15</b>	<b>5,601.81</b>	<b>2,352.66</b>	<b>19,985.89</b>
5	<b>Profit/(Loss) before exceptional items and tax (3-4)</b>	<b>971.28</b>	<b>1,193.55</b>	<b>288.65</b>	<b>3,582.15</b>
6	Exceptional items	-	-	-	-
7	<b>Profit/(Loss) before Tax (5-6)</b>	<b>971.28</b>	<b>1,193.55</b>	<b>288.65</b>	<b>3,582.15</b>
8	<b>Tax Expense</b>				
	Income Tax (including Earlier Year Adjustments)	250.30	289.22	84.24	904.76
	Deferred Tax	(1.55)	2.90	(1.73)	2.55
9	<b>Net Profit/(Loss) from ordinary activities after tax (7- 8)</b>	<b>722.53</b>	<b>901.43</b>	<b>206.14</b>	<b>2,674.84</b>
10	Other Comprehensive Income:				
(i)	Items that will not be reclassified to profit or loss (net of Tax)	1.19	0.06	-	(0.12)
(ii)	Items that will be reclassified to profit or loss (net of Tax)	0.89	29.01	(29.26)	0.85
11	<b>Total Comprehensive Income (9+10)</b>	<b>724.61</b>	<b>930.49</b>	<b>176.87</b>	<b>2,675.57</b>
12	Paid-up equity share capital (F. V. ₹ 1/- per share)	510.00	510.00	510.00	510.00
13	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				8,508.06
14	Earning per share (before extraordinary items) (of ₹ 1/- each) (Not annualised)				
a)	Basic	1.42	1.77	0.40	5.24
b)	Diluted	1.42	1.77	0.40	5.24
	Earning per share (after extraordinary items) (of ₹ 1/- each) (Not annualised)				
a)	Basic	1.42	1.77	0.40	5.24
b)	Diluted	1.42	1.77	0.40	5.24

**Notes:**

- The Consolidated & Standalone results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 13, 2021.
- The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter ended June 30, 2021 and have issued an unqualified review report.
- This statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company's business activity falls within a single primary business segment viz. "Chemicals". Hence, there are no separate reportable segments as per Ind AS 108 'Operating Segments'.
- COVID-19 outbreak declared as a global pandemic by the WHO has continued to spread rapidly leading to extension of nationwide lockdown with minor exemptions and quarantine measures stalling economic activity. The Company has been in operation with minimal permitted staff. The Company has not faced any material adversity of its financial position as at June 30, 2021 and considering other relevant facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact of the global health pandemic may differ from that estimated as at the date of approval of the financial results and the Company will continue to closely monitor and material changes to future economic conditions.
- The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third quarter of the Financial Year.
- Consolidated Financial Results include Unaudited Financial Results of one Wholly Owned Subsidiary, namely B.R.Chemicals Co. Ltd., Japan.
- Figures of the corresponding previous period have been regrouped wherever necessary.

 For and on behalf of the Board of Directors  
 of **Black Rose Industries Limited**
  
**(Anup Jatia)**  
 Executive Director  
 DIN : 00351425

 Place: Mumbai  
 Date: August 13, 2021



UDIN : 21176309AAAACV1354

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**


Review Report to,  
**The Board of Directors,  
Black Rose Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Black Rose Industries Limited** (the 'Company') for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place : Mumbai  
Dated : August 13, 2021

**For P K J & Co.**  
Chartered Accountants  
Firm Registration No. 124115W

  
(Rishabh Jain)  
Partner  
Membership No. 176309

BLACK ROSE INDUSTRIES LIMITED

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CIN : L17120MH1990PLC054828

# BLACK ROSE

Figures ₹ in Lacs except EPS

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(REVIEWED)	(AUDITED)	(REVIEWED)	(AUDITED)
1	2	3	4	5	6
1	Revenue from operations	9,912.02	10,553.93	4,110.62	37,978.16
2	Other Income	9.65	14.64	25.93	72.90
3	<b>Total Revenue (1+2)</b>	<b>9,921.67</b>	<b>10,568.57</b>	<b>4,136.54</b>	<b>38,051.06</b>
4	<b>Expenditure</b>				
a)	Cost of materials Consumed	1,476.63	987.97	622.71	4,164.52
b)	Purchase of stock-in-trade	6,240.34	8,654.62	2,593.66	28,422.32
c)	Changes in Inventories of finished goods, work-in-progress and traded goods	427.61	(1,104.30)	78.86	(1,129.98)
d)	Employee benefits expense	158.85	166.78	132.67	634.84
e)	Finance costs	28.30	14.83	41.16	120.44
f)	Depreciation and amortisation expense	65.00	54.15	65.91	257.82
g)	Other expenses	517.03	580.78	307.56	1,901.83
	<b>Total Expenses</b>	<b>8,913.75</b>	<b>9,354.83</b>	<b>3,842.54</b>	<b>34,371.79</b>
5	<b>Profit/(Loss) before exceptional items and tax (3-4)</b>	<b>1,007.92</b>	<b>1,213.75</b>	<b>294.01</b>	<b>3,679.27</b>
6	Exceptional items	-	-	-	-
7	<b>Profit/(Loss) before Tax (5-6)</b>	<b>1,007.92</b>	<b>1,213.75</b>	<b>294.01</b>	<b>3,679.27</b>
8	<b>Tax Expense</b>				
	Income Tax (including Earlier Year Adjustments)	261.29	293.63	85.85	932.24
	Differed Tax	(1.55)	2.90	(1.73)	2.55
9	<b>Net Profit/(Loss) from ordinary activities after tax (7- 8)</b>	<b>748.18</b>	<b>917.21</b>	<b>209.89</b>	<b>2,744.48</b>
10	<b>Other Comprehensive Income:</b>				
(i)	Items that will not be reclassified to profit or loss (net of Tax)	1.19	0.06	-	(0.12)
(ii)	Items that will be reclassified to profit or loss (net of Tax)	0.89	29.01	(29.26)	0.85
11	<b>Total Comprehensive Income (9+10)</b>	<b>750.26</b>	<b>946.28</b>	<b>180.62</b>	<b>2,745.20</b>
12	Paid-up equity share capital (F. V. ₹ 1/- per share)	510.00	510.00	510.00	510.00
13	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				8,788.62
14	<b>Earning per share (before extraordinary items) (of ₹ 1/- each) (Not annualised)</b>				
a)	Basic	1.47	1.80	0.41	5.38
b)	Diluted	1.47	1.80	0.41	5.38
	<b>Earning per share (after extraordinary items) (of ₹ 1/- each) (Not annualised)</b>				
a)	Basic	1.47	1.80	0.41	5.38
b)	Diluted	1.47	1.80	0.41	5.38

For and on behalf of the Board of Directors  
of Black Rose Industries Limited

(Anup Jatia)  
Executive Director  
DIN : 00351425

Place: Mumbai  
Date: August 13, 2021



UDIN : 21176309AAAACW1886

**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Review Report to,  
**The Board of Directors,  
Black Rose Industries Limited**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of **Black Rose Industries Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

(Cont..2)





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4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Black Rose Industries Limited	Holding Company
B.R.Chemicals Co. Limited (Japan)	Wholly owned Foreign Subsidiary Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the information provided by the management referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the interim financial results and other financial information of one subsidiary whose interim financial results/information reflects whose interim financial results reflect total revenues of Rs.3854.25 Lacs for the quarter ended June 30, 2021, total net profit after tax of Rs.25.65 Lacs for the quarter ended June 30, 2021 and total comprehensive income of Rs.25.65 Lacs for the quarter ended June 30, 2021, as considered in the Statement. These financial statements are unaudited and have been furnished to us by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the information and explanation provided by the management.

Our conclusion on the Statement is not modified in respect of the above matter.



Place : Mumbai  
Dated : August 13, 2021

**For P K J & Co.**  
Chartered Accountants  
Firm Registration No. 124115W

(Rishabh Jain)  
Partner  
Membership No. 176309



## PERFORMANCE REVIEW Q1FY22 AND BUSINESS UPDATE

### **Performance Review**

After the steep price increases seen in Q4 FY21, domestic prices of a wide range of chemicals fell during the first quarter of FY22 due to subdued demand caused by the spread of the COVID Delta variant across India during April and May. Demand picked up during June and many companies chose to offload stocks which had built up due to the slow sales in previous months. As in the previous quarter, our company focused on profitable sales, maintaining stocks as shortages of imported products (caused by shipment delays and steep increase in logistics costs) were clearly in the horizon. Sales of acrylamide and ceramic binder increased overall and the company was able to post a strong performance despite the challenges of a generally slow market.

	Q1 FY21	Q1 FY22	Change (%)
<b>Revenue</b>	26.41	60.67	130%
<b>EBITDA</b>	3.96	10.65	169%
<b>PBT</b>	2.89	9.71	236%
<b>PAT</b>	2.06	7.23	256%

*all numbers in Rs. crores, standalone*

The key financial indicators during the period are as below:

Parameter	Q3 FY21	Q4 FY21	Q1 FY22
Distribution : Manufacturing Revenue	1.7 : 1	2.6 : 1	2.0 : 1
Debt : Equity Ratio	0.28	0.15	0.11
Interest Coverage Ratio (times)	62.7	81.5	35.3
Current Ratio	2.03	2.12	2.48
Quick Ratio	1.35	1.05	1.27
EBITDA Margin	18.7%	18.6%	17.6%
Net Profit Margin	13.0%	13.3%	11.9%

### **Business Update**

#### *Acrylamide Liquid*

Acrylamide prices increased during April and May on the back of higher acrylonitrile prices and corrected slightly in June as global acrylonitrile prices which had touched a peak of \$3200/MT reduced with an increase in supply in China. Freight costs increased and exports remained challenged as limited loading space was available on outbound vessels. For the quarter, exports formed 40% of total acrylamide sales although it would have been higher if vessel availability had been better.



Acrylamide exports has improved in Q2 FY22 along with higher price realisations although vessel space availability continues to be a challenge. Domestically, spot prices have moved up due to a shortage of acrylamide solid from China.

#### *Distribution*

With the spread of the COVID Delta variant and delays in arrival of imported products, the distribution business witnessed a drop in sale of 19% over the previous quarter. The price of resorcinol remained under pressure as a price war in the Chinese domestic market spilled over into the Indian market. Sales of isophthalic acid was low (once again due to COVID disruptions) and prices were lower than import replacement cost. However, products such as ethanolamines, 1,3 bromochloropropane, ethyl cyanoacetate, hydroquinone, meta xylene and polyacrylamide flocculants did well. Material shortages due to shipping disruptions continued to affect the distribution business – positively in terms of price increases and negatively in terms of volume availability.

Demand during Q2 FY22 is stronger than that seen in June 2021. Sales (and price realisation) of isophthalic acid is rapidly increasing as is the sales of meta cresol and acrylonitrile. The price disparity between import prices and domestic prices seen in Q1 FY22 led to an overall reduction in Indian imports, resulting in improved prices for our company's distribution products. We expect these shortages to continue till the end of quarter, providing a positive boost to our distribution business during Q2 FY22.

#### *Polyacrylamide Liquid*

The company's ceramic binder product, BRILBIND CE01, was launched in Morbi in 2020. Morbi's close to 1000 ceramic tile factories run by local entrepreneurs produce 80% of the nation's ceramic tiles. BRILBIND CE01 is used in the production of vitrified tiles. Our price of ceramic binders was revised upwards in April 2021 in keeping with the trend of raw material prices and competitors' movements.

Morbi saw many local cases during the quarter, causing a reduction in tile production. At the same time, the general slowdown in the economy resulted in a fall in demand for tiles. Despite these issues, the company was able to increase its sales and reach in the market.

The start of Q2 FY22 saw further improvements, but since this week a transport strike along with a shutdown of several tile producers has been in effect. Nevertheless, we expect volumes to grow during the quarter.

#### *Projects and Expansions*

As already informed, the company will manufacture acrylamide powder at its Jhagadia plant to the tune of 3,600MT per annum. At an investment of Rs.8 crores, the potential additional





revenue would be Rs.65 crores per annum. The company aims to replace 100% of India's imports while further capacities are planned to serve larger global requirements. Pilot trials have been completed and the company plans to start commercial production during Q3 FY22.

The company is also planning to start production of n-methylol acrylamide (NMA), a specialty monomer used widely in the textile and coatings industry both domestically and internationally. Environmental Clearance for a capacity of 2,000MT per annum has already been obtained. The company has started piloting trials and expects to start commercial production during Q3 FY22. Potential additional revenue from this product is Rs.35 crores per annum.

While work on the 10,000MT polyacrylamide solid plant continues, the company has decided to complete its expansions into acrylamide powder and n-methylol acrylamide at first as these can be achieved in a shorter time frame. Demand for polyacrylamide solids continues to grow both domestically and internationally and this product segment remains a prime focus of the company.

The company will continue to concentrate on and grow its existing businesses while looking for new projects in the areas in which it operates.

***DISCLAIMER for forward looking statements, etc.***

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.

**FOR BLACK ROSE INDUSTRIES LIMITED**

NEVIL AVLANI

COMPANY SECRETARY

DATE: AUGUST 13, 2021