



Limited Review Report on Standalone Financial Results of Kiri Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended September 30, 2019

To
The Board of Directors
Kiri Industries Limited
7th Floor Hasubhai Chambers,
Opp. Town Hall, Ellisbridge,
Ahmedabad- 380 006

Dear Sirs,

We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Kiri Industries Limited ("the Company"), having its registered office at 7th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380 006 for the quarter and half year ended September 30, 2019. This statement has been prepared by the Company pursuant to the requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting standards (Ind AS) as per Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Pramodkumar Dad & Associates,
Chartered Accountants
Firm Registration No. 115869W



Pramodkumar Dad
Partner
Membership No.038261

Place: Ahmedabad
Date: November 12, 2019
UDIN: 19038261AAAAK4910



Kiri Industries Limited

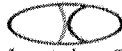
Future Full of Colours.....
(CIN-L24231GJ1998PLC034094)

Reg.Off: 7th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad - 380 006
Phone No. (O) 079-26574371/72/73, (F) 079-26574374, Email: info@kiriindustries.com
website: www.kiriindustries.com

(Rs. in Lakhs)

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year ended September 30, 2019							
Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
		(Unaudited)					(Audited)
1	Revenue from Operations	25,157.83	27,822.62	28,281.87	52,980.45	52,315.08	106,186.33
2	Other Income	73.17	9.35	51.10	82.52	94.78	282.54
3	Total Revenue (1 + 2)	25,231.00	27,831.97	28,332.97	53,062.97	52,409.86	106,468.87
4	Expenses:						
	Cost of Materials Consumed	16,994.10	17,542.96	18,093.79	34,537.06	32,837.13	70,103.48
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(712.39)	327.23	(204.57)	(385.16)	67.91	(902.38)
	Employee benefits expense	1,052.02	959.46	853.76	2,011.48	1,649.80	3,427.96
	Finance costs	106.00	114.26	119.31	220.26	212.21	439.57
	Depreciation and amortisation expense	896.33	836.49	655.97	1,732.82	1,258.78	2,849.93
	Other expenses	5,345.83	5,191.48	4,675.64	10,537.31	8,693.06	17,916.17
	Total expenses	23,681.89	24,971.88	24,193.90	48,653.77	44,718.89	93,834.72
5	Profit before exceptional and extraordinary items and tax (3 - 4)	1,549.11	2,860.09	4,139.07	4,409.20	7,690.97	12,634.15
6	Exceptional items	-	-	-	-	-	-
7	Profit before extraordinary items and tax (5 - 6)	1,549.11	2,860.09	4,139.07	4,409.20	7,690.97	12,634.15
8	Extraordinary items	-	-	-	-	-	-
9	Profit before tax (7 - 8)	1,549.11	2,860.09	4,139.07	4,409.20	7,690.97	12,634.15
10	Tax expense : (a+b)	260.25	267.86	47.50	528.11	93.05	629.97
	(a) Current tax	154.07	616.31	897.51	770.38	1,655.55	2,800.22
	(b) Deferred tax	106.19	(348.45)	(850.02)	(242.26)	(1,562.50)	(2,170.25)
11	Profit for the period from continuing operations (9-10)	1,288.86	2,592.23	4,091.57	3,881.09	7,597.92	12,004.18
12	Profit from discontinuing operations	-	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-	-
14	Profit from Discontinuing operations (after tax) (12-13)	-	-	-	-	-	-
15	Profit for the period (11 + 14)	1,288.86	2,592.23	4,091.57	3,881.09	7,597.92	12,004.18
16	Share of Profit of Associates	-	-	-	-	-	-
17	Minority Interest	-	-	-	-	-	-
18	Profit for the period (15 + 16 + 17)	1,288.86	2,592.23	4,091.57	3,881.09	7,597.92	12,004.18
19	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(20.73)
20	Total Comprehensive Income (After Tax) (18 + 19)	1,288.86	2,592.23	4,091.57	3,881.09	7,597.92	11,983.45
21	Paid up Equity Share Capital	3,362.06	3,134.40	3,134.40	3,362.06	3,134.40	3,134.40
22	Reserves excluding Revaluation Reserve	-	-	-	-	-	59,940.04
23	Earnings per equity share:						
24	(1) Basic	3.96	8.27	13.05	11.91	24.25	38.23
25	(2) Diluted	2.49	5.00	7.89	7.49	14.66	23.12





Kiri Industries Limited

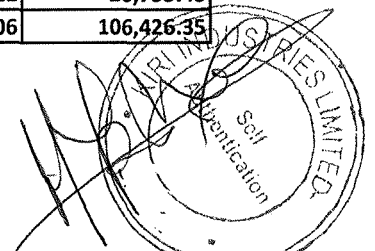
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Standalone Statement of Asset and Liabilities

(Rs. In Lakhs)

Particulars		Half year ended on 30/09/2019 Unaudited	Year ended on 31/03/2019 Audited
Assets			
1	Non-current assets		
	(a) Property, plant and equipment	46,787.27	42,899.03
	(b) Capital work-in-progress	4,652.36	3,772.85
	(c) Other intangible assets	10.77	10.57
	(d) Non-current investments	14,022.79	14,022.79
	(e) Financial Assets		
	(i) Investment	6.00	6.00
	(ii) Trade receivables	707.29	356.47
	(iii) Other Financial Assets	1,006.84	897.12
	(f) Other non-current assets	7,361.78	7,254.34
	(g) Deferred tax assets (net)	209.92	-
	Total non-current assets	74,765.02	69,219.17
2	Current assets		
	(a) Inventories	10,382.45	10,826.36
	(b) Financial Asset		
	(i) Current investments	-	-
	(ii) Trade receivables	20,130.32	20,849.90
	(iii) Cash and cash equivalents	625.03	941.65
	(iv) Bank balance other than cash and cash equivalents	120.86	115.66
	(v) Loans	1,572.63	1,812.26
	(vi) Other current financial assets	487.77	513.31
	(c) Current tax assets (net)	111.47	111.47
	(d) Other current assets	2,507.51	2,036.57
	Total current assets	35,938.04	37,207.18
	Total assets	110,703.07	106,426.35
Equity and liabilities			
1	Equity		
	(a) Equity share capital	3,362.06	3,134.40
	(b) Other equity	62,837.72	59,940.04
	Total equity	66,199.78	63,074.44
2	Liabilities		
	Non-current liabilities		
	(a) Non-current financial liabilities		
	(i) Borrowings	14,836.45	14,875.57
	(ii) Trade payables	351.75	359.38
	(iii) Other financial liabilities	82.50	76.50
	(b) Provisions	1,251.37	1,274.66
	(c) Deferred tax liabilities (net)	-	32.35
	Total non-current liabilities	16,522.07	16,618.46
	Current liabilities		
	(a) Current financial liabilities		
	(i) Borrowings	61.66	57.20
	(ii) Trade payables	18,499.42	16,015.97
	(iii) Other financial liabilities	3,024.10	3,489.04
	(b) Other current liabilities	3,954.47	5,169.40
	(c) Provisions	214.38	162.30
	(d) Current tax liabilities (Net)	2,227.18	1,839.54
	Total current liabilities	27,981.21	26,733.45
	Total equity and liabilities	110,703.06	106,426.35




Kiri Industries Limited
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Unaudited Standalone Cash Flow Statement for the Half Year ended on 30th September, 2019

		(Rs. in Lakhs)			
PARTICULARS	For the Half Year ended 30-09-2019		For the Half Year ended 30-09-2018		
	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.	
A. Cash Flow from Operating Activities :					
Net Profit before Tax and Extraordinary items	4,409.20		7,690.97		
Adjustment for					
- Depreciation	1,732.82		1,258.78		
- Interest & Dividend Income	(82.12)		(94.78)		
- Interest charged to P & L	220.26		212.21		
- Profit on Sale of Fixed Assets	(0.40)		(0.40)		
Operating Profit before working capital changes:		6,279.77		9,066.78	
Adjustment for :					
- Trade Receivables	368.75		229.24		
- Inventories	443.91		(2,134.22)		
- Other Current Financial Assets	20.34		(268.97)		
- Other Current Assets	(470.93)		(2,144.94)		
- Other Non-Current Financial Assets	(109.73)		(147.86)		
- Other Non-Current Assets	(107.44)		(1,307.51)		
- Trade Payables	2,475.83		(602.56)		
- Other Non-Current Financial Liabilities	6.00		-		
- Other Current Financial Liabilities	100.22		(123.12)		
- Other Current Liabilities	(1,214.94)		1,215.56		
- Provisions	28.78	1,540.80	36.56	(5,247.81)	
Cash Generated from Operations		7,820.57		3,818.96	
- Taxes paid/ provision & Deferred tax		(382.73)		(197.51)	
Net Cash Flow from Operations		7,437.84		3,621.45	
B. Cash Flow from Investment Activities :					
- Purchase of Property, Plant & Equipments including Capital Work in Progress		(6,500.87)		(3,342.55)	
- Sale of Fixed Assets		0.50		0.50	
- Interest and Dividend Income		82.12		94.78	
- Loan Given/repaid		239.62		(262.00)	
- Investment		-		620.00	
Net cash flow from Investing Activities		(6,178.63)		(2,889.26)	
C. Cash Flow from Financing Activities :					
- Proceeds from Long term Borrowings		39.12		-	
- Proceeds from Short term Borrowings		4.47		746.05	
- Interest charged		(220.26)		(212.21)	
- Repayment of Long Term Borrowings		(1,399.15)		(120.79)	
Net Cash Flow from Financing Activities		(1,575.83)		413.06	
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(316.62)		1,145.25	
Cash and Cash Equivalents as at (Opening)		941.65		558.45	
Cash and Cash Equivalents as at (Closing)		625.03		1,703.70	



Independent Auditor's Review Report On Consolidated Unaudited Financial Results of Kiri Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and half year ended September 30, 2019

To
The Board of Directors
Kiri Industries Limited
7th Floor Hasubhai Chambers,
Opp. Town Hall, Ellisbridge,
Ahmedabad- 380 006

Dear Sirs,

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Kiri Industries Ltd. ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates and joint ventures for the quarter and half year ended September 30, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. 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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed below:

Subsidiaries	Chemhub Trading DMCC
Joint Venture	Lonsen Kiri Chemical Industries Ltd.
Associates	Dystar Global Holdings (Singapore) Pte. Ltd
	Kiri Infrastructure Pvt. Ltd.



5. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of one subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements/ financial information/ financial results reflect - Total revenue of Rs.48.80 Crore and Rs. 91.96 Crore total net loss after tax of Rs. 0.95 Crore and Rs. 2.25 Crore and total comprehensive loss of Rs. 0.95 Crore and Rs. 2.25 Crore for the quarter and half year ended September 30 2019 as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit/(loss) after tax of Rs. 80.04 Crore and total comprehensive income / loss of Rs. 80.04 Crore and net profit/(loss) after tax of Rs. 53.36 Crore and total comprehensive income / loss of Rs. 53.36 Crore for the quarter and half year ended September 30, 2019 as considered in the consolidated unaudited financial results, in respect of two associates, based on their interim financial statements/ financial information/ financial results which have not been reviewed/audited by their auditors.

**For Pramodkumar Dad & Associates,
Chartered Accountants
Firm Registration No. 115869W**



**Pramodkumar Dad
Partner
Membership No.038261**

**Place: Ahmedabad
Date: November 12, 2019
UDIN: 19038261AAAAAL9643**

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2019

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
		(Unaudited)					
1	Revenue from Operations	32,563.51	36,640.14	37,302.29	69,203.65	70,609.10	139,382.88
2	Other Income	76.58	44.31	40.66	120.89	112.85	267.53
3	Total Revenue (1 + 2)	32,640.08	36,684.45	37,342.95	69,324.53	70,721.95	139,650.41
4	Expenses:						
	Cost of Materials Consumed	19,988.24	21,864.97	21,489.46	41,853.21	40,494.25	86,352.04
	Purchases of Stock-in-Trade	620.48	862.59	1,556.55	1,483.07	3,056.76	6,079.15
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(563.22)	591.17	252.58	27.95	457.28	(1,548.64)
	Employee benefits expense	1,209.32	1,113.59	1,006.27	2,322.91	1,949.21	4,171.09
	Finance costs	112.48	122.82	139.20	235.30	259.85	508.48
	Depreciation and amortisation expense	1,121.02	1,060.30	875.48	2,181.32	1,701.80	3,755.84
	Other expenses	6,124.88	6,029.06	5,712.11	12,153.94	10,632.22	21,226.63
	Total expenses	28,613.19	31,644.50	31,031.64	60,257.69	58,551.37	120,544.59
5	Profit before exceptional and extraordinary items and tax (3 - 4)	4,026.89	5,039.95	6,311.31	9,066.84	12,170.58	19,105.82
6	Exceptional items	-	-	-	-	-	-
7	Profit before extraordinary items and tax (5 - 6)	4,026.89	5,039.95	6,311.31	9,066.84	12,170.58	19,105.82
8	Extraordinary items	-	-	-	-	-	-
9	Profit before tax (7 - 8)	4,026.89	5,039.95	6,311.31	9,066.84	12,170.58	19,105.82
10	Tax expense : (a+b)	615.88	1,111.97	919.72	1,727.85	1,716.13	3,343.41
	(a) Current tax	702.94	1,423.35	1,771.12	2,126.29	3,301.02	5,440.00
	(b) Deferred tax	(87.05)	(311.38)	(851.40)	(398.43)	(1,584.88)	(2,096.59)
11	Profit for the period from continuing operations (9-10)	3,411.01	3,927.98	5,391.59	7,338.99	10,454.45	15,762.41
12	Profit from discontinuing operations	-	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-	-
14	Profit from Discontinuing operations (after tax) (12-13)	-	-	-	-	-	-
15	Profit for the period (11 + 14)	3,411.01	3,927.98	5,391.59	7,338.99	10,454.45	15,762.41
16	Share of Profit of Associates	8,004.36	(2,668.16)	5,831.93	5,336.20	9,392.48	649.13
17	Minority Interest	-	-	-	-	-	-
18	Profit for the period (15 + 16 + 17)	11,415.37	1,259.82	11,223.52	12,675.19	19,846.93	16,411.54
19	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(20.73)
20	Total Comprehensive Income (After Tax) (18 + 19)	11,415.37	1,259.82	11,223.52	12,675.19	19,846.93	16,390.81
21	Comprehensive Income for the period attributable to owner of parent	11,415.37	1,259.82	11,223.52	12,675.19	19,846.93	16,390.81
22	Total Comprehensive Income for the period attributable to owner of parent non controlling interest	-	-	-	-	-	-
23	Paid up Equity Share Capital	3,362.06	3,134.40	3,134.40	3,362.06	3,134.40	3,134.40
24	Reserves excluding Revaluation Reserve	-	-	-	-	-	153,598.54
25	Earnings per equity share:						
26	(1) Basic	35.04	4.02	35.81	38.90	63.32	52.29
27	(2) Diluted	22.02	2.43	21.65	24.45	38.29	31.62



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Circular stamp: KIRI INDUSTRIES LIMITED, Self Authentication



Kiri Industries Limited

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(CIN-L24231GJ1998PLC034094)

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Consolidated Statement of Asset and Liabilities

(Rs. In Lakhs)

Particulars		Half year ended on	Year ended on
		30/09/2019	31/03/2019
		Unaudited	Audited
Assets			
1	Non-current assets		
	(a) Property, plant and equipment	51,308.30	47,688.75
	(b) Capital work-in-progress	4,704.89	3,772.85
	(c) Other intangible assets	635.71	704.96
	(d) Non-current investments	100,753.04	95,416.84
	(e) Financial Assets		
	(i) Investment	6.20	6.20
	(ii) Trade receivables	707.29	356.47
	(iii) Other Financial Assets	1,126.25	996.73
	(f) Other non-current assets	7,757.18	7,788.94
	(g) Deferred tax assets (net)	209.92	-
	Total non-current assets	167,208.77	156,731.74
2	Current assets		
	(a) Inventories	16,469.73	16,855.12
	(b) Financial Asset	-	-
	(i) Current investments	-	-
	(ii) Trade receivables	24,566.21	25,358.03
	(iii) Cash and cash equivalents	963.17	1,900.21
	(iv) Bank balance other than cash and cash equivalents	332.93	357.18
	(v) Loans	1,554.99	1,796.05
	(vi) Other current financial assets	490.89	498.73
	(c) Current tax assets (net)	111.47	111.47
	(d) Other current assets	3,801.34	2,226.21
	Total current assets	48,290.73	49,103.00
	Total assets	215,499.50	205,834.74
Equity and liabilities			
1	Equity		
	(a) Equity share capital	3,362.06	3,134.40
	(b) Other equity	165,262.75	153,598.54
	Total equity	168,624.81	156,732.94
2	Liabilities		
	Non current liabilities		
	(a) Non-current financial liabilities		
	(i) Borrowings	14,836.45	14,875.57
	(ii) Trade payables	352.77	362.93
	(iii) Other financial liabilities	82.50	76.50
	(b) Provisions	1,251.37	1,336.82
	(c) Deferred tax liabilities (net)	410.52	599.04
	Total non-current liabilities	16,933.61	17,250.86
	Current liabilities		
	(a) Current financial liabilities		
	(i) Borrowings	61.66	57.20
	(ii) Trade payables	19,399.69	19,755.00
	(iii) Other financial liabilities	3,196.83	3,580.51
	(b) Other current liabilities	4,204.79	5,282.24
	(c) Provisions	285.11	170.87
	(d) Current tax liabilities (Net)	2,793.00	3,005.12
	Total current liabilities	29,941.08	31,850.94
	Total equity and liabilities	215,499.50	205,834.74


Kiri Industries Limited
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(CIN-L24231GJ1998PLC034094)


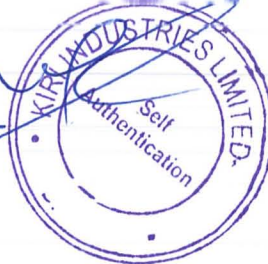
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Unaudited Consolidated Cash Flow Statement for the Half Year ended on 30th September, 2019

		(Rs. in Lakhs)			
PARTICULARS	For the Half Year ended 30-09-2019		For the Half Year ended 30-09-2018		
	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.	
A. Cash Flow from Operating Activities :					
Net Profit before Tax and Extraordinary items	9,066.84		12,170.58		
Adjustment for					
- Depreciation	2,181.32		1,701.80		
- Interest & Dividend Income	(120.89)		(112.85)		
- Interest charged to P & L	235.30		259.85		
- Loss/(Profit) on Sale of Fixed Assets	0.77		(0.40)		
Operating Profit before working capital changes:		11,363.34		14,018.98	
Adjustment for :					
- Trade Receivables	441.00		(2,885.43)		
- Inventories	385.39		(1,413.70)		
- Other Current Financial Assets	32.09		(270.61)		
- Other Current Assets	(1,575.13)		(2,660.92)		
- Other Non-Current Financial Assets	(129.52)		(149.67)		
- Other Non-Current Assets	31.76		(1,126.56)		
- Trade Payables	(365.47)		(500.00)		
- Other Non-Current Financial Liabilities	6.00		-		
- Other Current Financial Liabilities	181.48		389.43		
- Other Current Liabilities	(1,077.45)		1,179.95		
- Foreign Currency Translation Reserve	(27.58)		(138.99)		
- Provisions	28.79	(2,068.63)	36.56	(7,539.93)	
Cash Generated from Operations		9,294.70		6,479.05	
- Taxes paid/ provision & Deferred tax		(2,338.41)		(897.61)	
Net Cash Flow from Operations		6,956.30		5,581.44	
B. Cash Flow from Investment Activities :					
- Purchase of Property, Plant & Equipments including Capital Work in Progress		(6,664.93)		(3,390.08)	
- Sale of Fixed Assets		0.50		0.50	
- Interest and Dividend Income		120.89		112.85	
- Loan Given/repaid		241.06		(262.00)	
Net cash flow from Investing Activities		(6,302.48)		(3,538.73)	
C. Cash Flow from Financing Activities :					
- Proceeds from Long term Borrowings		39.12		-	
- Proceeds from Short term Borrowings		4.46		324.35	
- Interest charged		(235.30)		(259.85)	
- Repayment of Long Term Borrowings		(1,399.15)		(120.79)	
Net Cash Flow from Financing Activities		(1,590.86)		(56.29)	
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(937.04)		1,986.42	
Cash and Cash Equivalents as at (Opening)		1,900.21		1,249.83	
Cash and Cash Equivalents as at (Closing)		963.17		3,236.25	

Notes:

1. The Company operates in a single segment i. e. Dyes, Dyes Intermediates and basic chemicals. As per Ind As 108 - Operating Segments, the Operation of the Company fall under Chemical Business which is considered to constitute as single primary segment.

2. The above results have been prepared in accordance with the 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.

3. The Statutory Auditors of the company have carried out a "Limited Review" of the above results as per Regulation 33 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015. The above financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November, 12, 2019.

4. The board of directors of the company at their meeting held on August 12, 2019 allotted 22,76,695 Equity Shares pursuant to conversion of FCCBs.

5. Earning per share for the quarter and half year ended has been calculated as per weighted average formula and diluted earning per share has been calculated considering proposed issue of equity shares on account of conversion of convertible securities.

6. Previous period figures have been regrouped and rearranged, wherever considered necessary.

7. It is important to note that Valuation of stake of Kiri in DyStar shall be crystalized on the basis of financial position existing as on effective date of July 3, 2018 as per Order of Singapore International Commercial Court(SICC). Hence financials of DyStar post July 3, 2018 shall have no impact on the valuation of Kiri's stake in DyStar.


8. Relevant material information of a major investment in DyStar Group (Company holds 37.57% share holding) for the quarter ended September 30, 2019.

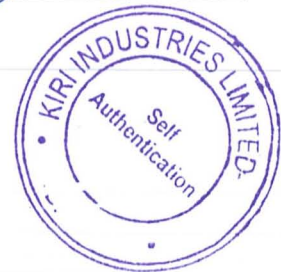
Sr. No	Particulars	US\$ in Mn.	INR in Mn. *
1	Revenue	246.80	17,439.75
2	Gross Margin	72.10	5,094.84
3	EBIT	38.00	2,685.21
4	Profit after tax	30.40	2,148.17

(* 1 US\$ = 70.6635 INR)

Date: November 12, 2019
Place: Ahmedabad

For Kiri Industries Limited


Manish Kiri
Managing Director



Sailing through the Rough Seas with Reactives at the forefront

H. Jackson Brown Jr., has said, “When you can’t change the direction of the wind – adjust your sails”, which is exactly the case with Kiri Industries Limited (Kiri) during the recent past, wherein it adjusted its product mix by concentrating on certain reactive dyes to maintain its Consolidated EBIDTA at around 16% in softened market conditions prevalent during Q2FY20 in the dyes and dyestuff industry.

The Consolidated Net Profit after tax of Kiri for Q2FY20 amounts to Rs.114.15 Crore without taking into consideration the disputed exceptional write-downs/exceptional provisioning in Associate Company, DyStar. The major contributors to the profits include Kiri Standalone, contributing Rs.12.89 Crore, JV Company, Lonsen Kiri Chemical Industries Limited (LKCIL) contributing Rs.21.22 Crore and Associate Company, DyStar contributed Rs.80.04 Crore during Q2FY20.

It is important to note that Valuation of stake of Kiri in DyStar shall be crystalized on the basis of financial position existing as on effective date of July 3, 2018 as per the Order of Singapore International Commercial Court (SICC). Hence financials of DyStar post July 3, 2018 shall have no impact on the valuation of Kiri’s stake in DyStar.

Kiri’s reactive dyes sales in quantity terms increased by around 9% in Q2FY20 as compared to Q1FY20 and increased by 11% on Y-O-Y basis. The specialty intermediate plant has partially become operational in Q2FY20 which supported the increase in speciality dyes intermediates sales in quantity terms by 15% on Y-O-Y basis.

The general market slow down driven by textile industry have effectively reduced prices in the dyes and dyestuff industry by around 15% to 20% and hence the sales revenues have been impacted during the current quarter. The pricing pressure has

also increased because a few plants in China have become operational. It is expected that a few more plants would become operational in coming two quarters since China has shown some leniency with the Chemical Industry within China in the backdrop of its Trade War with USA.

Consolidated Operational Performance of Q2FY20

The Comparative Consolidated Operational Performance for Q2FY20 vis-à-vis Q1FY20 is as under:

Particulars	INR in Crore	
	Q2FY20	Q1FY20
Revenue from operation	325.64	366.40
Other Income	0.77	0.44
Less: Operational Expenses	273.80	304.61
EBIDTA	52.60	62.23
EBIDTA %	16.15%	16.98%
Depreciation	11.21	10.60
Finance Cost	1.12	1.23
Earnings Before Tax	40.27	50.40
Taxes	6.16	11.12
Other Comprehensive Income	-	-
Earnings After Tax	34.11	39.28
Share of Profit of Associates	80.04	(26.68)
Earnings After Tax	114.15	12.60
Earnings to Revenue	35%	3%

The consolidated revenues have dropped by around 11% and earnings before interest depreciation, tax and amortization in value terms have reduced by 15% in Q2FY20 as compared to the previous quarter **but EBIDTA margins are maintained at around 16%.**

The constant drive to strengthen and improve operational efficiency by implementing cost effective strategies and techniques for utilizing available resources at the production sites and improving inventory management has supported to reduce the operational by 10% in Q2FY20, Q-O-Q basis.

The constant drive to strengthen working capital management by monitoring its effective use has supported reduction in **financing cost by 8% in Q2FY20 on Q-O-Q basis.**

A comparative analysis of Consolidated Gross Margins in below three quarters clearly indicate that the margins are under control within range of 36%-38% because of backward integration of Kiri.

Particulars	Consolidated (INR in Crore)		
	Q2FY20	Q1FY20	Q2FY19
Revenue	326.40	366.84	373.43
Cost of Material	200.45	233.19	232.99
GP	125.95	133.66	140.44
GP (%)	38.58%	36.43%	37.61%

Standalone-Operational Performance for Q2FY20

The Comparative Standalone Operational Performance for Q2FY20 vis-à-vis Q1FY20 is as under:

Particulars	INR in Crore	
	Q2FY20	Q1FY20
Revenue from operation	251.58	278.23
Other Income	0.73	0.09
Less: Operational Expenses	226.80	240.21
EBIDTA	25.51	38.11
EBIDTA %	10.14%	13.70%
Depreciation	8.96	8.36
Finance Cost	1.06	1.14
Earnings Before Tax	15.49	28.60
Taxes	2.60	2.68
Other Comprehensive Income	-	-
Earnings After Tax	12.89	25.92
Earnings to Revenue	5.12%	9.32%

Sales Revenue of standalone business has reduced by around 10% in Q2FY20 as compared to the previous quarter, however volumes have increased by 8% in Q2FY20 on Y-O-Y basis, and remained range bound with an increase of 2% as compared to Q1FY20.

In Q2FY20, exports have increased by 13% by volume and 8% in value terms as compared to Q1FY20. The comparative gross margins have remained range bound at around 35% in Q2FY20 which is depicted here-in-under:

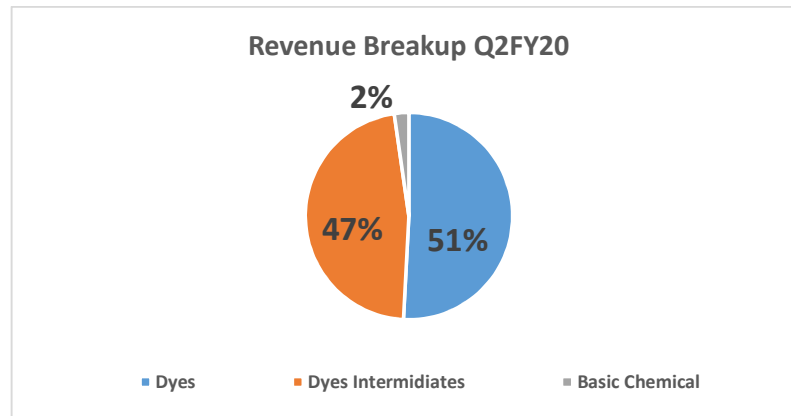
	Standalone (INR in Crore)		
Particulars	Q2FY20	Q1FY20	Q2FY19
Revenue	252.31	278.32	283.33
Cost of Material	162.82	178.70	178.89
GP	89.49	99.62	104.44
GP (%)	35.5%	35.8%	36.9%

During the current quarter finance cost has reduced by around 7% as compared to previous quarter mainly on account of lower finance charges pertaining to discounting of LCs and other bank charges due to effective working capital management.

Employees cost have increased by 9% in Q2FY20 as compared to the previous quarter mainly on account of annual increments and also strengthening of workforce.

Operational expenses include legal expenses towards continuing litigation in matter of DyStar at Singapore International Commercial Court as well as Singapore Supreme Court. The cost of litigation in Singapore is fairly high which has substantially impacted the bottom line of the company in the current quarter.

The revenues break-up in percentage terms amongst dyes, dyes intermediates and basic chemicals in Q2FY20 is as under:



Standalone- Working Capital Cycle:

The Working Capital Cycle has been under tight vigil and the average cycle has been controlled where the collection period of account receivable has increased to 76days because of overall low velocity of circulation of money and liquidity in the market. Corresponding the payables are stretched to around 100 days whereas inventory turnover has remained around 35 days.

Update on Kiri's Minority Oppression Suit in the matter of DyStar

As per directions of Singapore International Commercial Court (“SICC”) hearing of Case SIC-3 (*DyStar suit against Kiri*) for assessment of damages to DyStar on account of solicitation of customers of DyStar in Morocco and Sri Lanka was fixed on October 14 and 15, 2019. Hearing of Case SIC 3 was completed between October 14 and 17, 2019. The order in the matter is awaited.

Further hearing of Case SIC -4 (***Kiri's minority oppression suit against Longsheng Group***) for valuation of the Kiri's stake in DyStar was fixed on October 16 and 17, 2019. The hearing could not commence on those dates and hence SICC has now fixed the hearing dates for the valuation trial of Case SIC 4 between February 26 and 28 2020, and March 2, 2020. The hearing for Case SIC 4, if required, shall be continued and be concluded between March 31 and April 3, 2020.

SICC vide its oral judgement dated January 8, 2019 had rejected the plea of Senda (wholly owned subsidiary of Longsheng) to provide a 20% discount in value of DyStar for their purchasing the stake of Kiri in DyStar. Senda had filed an appeal with Court of Appeal against the impugned SICC order. The Appeal hearing was held on October 25, 2019 and the order in the matter is awaited.

Future Outlook

Kiri's strength is its product basket of dyes and dyes intermediates which enables the company to adapt to market conditions and resist pricing pressures to maintain its overall volume and margins. The Capex Plan of the company is on track and in Q2FY20, the specialty intermediate plant has become partially operational adding upto the value chain of Kiri in the dyes intermediates vertical.

Kiri is constantly reviewing both macro as well as micro economic factors of specialty chemicals industry, again for global as well as domestic markets and realigning its value chain including product mix, implementing technology up gradation, efficiency in human resource management and strengthening infrastructure for generating opportunities in the dynamic and volatile business environment. In the coming two quarters, Kiri would continue to observe and analyse the market conditions closely, both internationally and in domestic markets. The structural changes in the economy are bringing in innovations and creating new opportunities for markets to expand. In long term the global dye

industry is expected to grow with positive CAGR and experts opine that the overall dyes market shall be dominated by Reactive Dyes both in terms of revenue and volume produced owing to its widespread use in textile and leather industry.

The markets are expected to rebound and Kiri is poised to take a forward leap. In the interim Kiri shall continue to execute its continuing capex plan enabling it to achieve sustainable growth for increasing intrinsic value of the investment of its stake holders.

Forward Looking Statements

This document contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.