



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 December 31, 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 nine months ended December 31, 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: February 12, 2020
UDIN: 20038261AAAAAB7618



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 Nine Months ended December 31, 2019

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019
		(Unaudited)					(Audited)
1	Revenue from Operations	22,673.96	25,157.83	23,385.67	75,654.41	75,700.75	106,186.33
2	Other Income	135.32	73.17	24.16	217.84	118.94	282.54
3	Total Revenue (1 + 2)	22,809.28	25,231.00	23,409.83	75,872.25	75,819.69	106,468.87
4	Expenses:						
	Cost of Materials Consumed	13,467.65	16,994.10	16,216.29	48,004.71	49,053.42	70,103.48
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	487.02	(712.39)	(745.54)	101.86	(677.63)	(902.38)
	Employee benefits expense	1,088.47	1,052.02	902.92	3,099.95	2,552.72	3,427.96
	Finance costs	94.67	106.00	110.91	314.93	323.12	439.57
	Depreciation and amortisation expense	900.18	896.33	766.09	2,633.00	2,024.87	2,849.93
	Other expenses	5,379.98	5,345.83	3,868.99	15,917.29	12,562.05	17,916.17
	Total expenses	21,417.97	23,681.89	21,119.66	70,071.74	65,838.55	93,834.72
5	Profit before exceptional and extraordinary items and tax (3 - 4)	1,391.31	1,549.11	2,290.17	5,800.51	9,981.14	12,634.15
6	Exceptional items	-	-	-	-	-	-
7	Profit before extraordinary items and tax (5 - 6)	1,391.31	1,549.11	2,290.17	5,800.51	9,981.14	12,634.15
8	Extraordinary items	-	-	-	-	-	-
9	Profit before tax (7 - 8)	1,391.31	1,549.11	2,290.17	5,800.51	9,981.14	12,634.15
10	Tax expense : (a+b)	257.20	260.25	80.04	785.32	173.09	629.97
	(a) Current tax	243.08	154.07	495.27	1,013.46	2,150.82	2,800.22
	(b) Deferred tax	14.12	106.19	(415.23)	(228.14)	(1,977.73)	(2,170.25)
11	Profit for the period from continuing operations (9-10)	1,134.11	1,288.86	2,210.14	5,015.19	9,808.06	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)	1,134.11	1,288.86	2,210.14	5,015.19	9,808.06	12,004.18
16	Share of Profit of Associates	-	-	-	-	-	-
17	Minority Interest	-	-	-	-	-	-
18	Profit for the period (15 + 16 + 17)	1,134.11	1,288.86	2,210.14	5,015.19	9,808.06	12,004.18
19	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(20.73)
20	Total Comprehensive Income (After Tax) (18 + 19)	1,134.11	1,288.86	2,210.14	5,015.19	9,808.06	11,983.45
21	Paid up Equity Share Capital	3,362.06	3,362.06	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	3.37	3.96	7.05	15.42	31.29	38.23
25	(2) Diluted	2.19	2.49	4.26	9.68	18.92	23.12







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 nine months ended December 31, 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 nine months ended December 31, 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.50.76 Crore and Rs. 142.72 Crore, total net profit/(loss) after tax of Rs. 0.18 Crore and Rs. (2.08) Crore and total comprehensive profit/(loss) of Rs. 0.18 Crore and Rs. (2.08) Crore for the quarter and nine months ended December 31 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. 112.73 Crore and total comprehensive income / loss of Rs. 112.73 Crore and net profit/(loss) after tax of Rs. 166.09 Crore and total comprehensive income / loss of Rs. 166.09 Crore for the quarter and nine months ended December 31, 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: February 12, 2020
UDIN: 20038261AAAAAA9351**



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(Rs. in Lakhs)

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months Ended December 31, 2019

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019
		(Unaudited)					
1	Revenue from Operations	31,511.28	32,563.51	30,177.36	100,714.93	100,786.46	139,382.88
2	Other Income	192.68	76.58	19.19	313.57	132.04	267.53
3	Total Revenue (1 + 2)	31,703.96	32,640.08	30,196.55	101,028.50	100,918.50	139,650.41
4	Expenses:						
	Cost of Materials Consumed	17,668.32	19,988.24	20,580.57	59,521.53	61,074.82	86,352.04
	Purchases of Stock-in-Trade	1,477.15	620.48	1,866.45	2,960.22	4,923.21	6,079.15
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	769.27	(563.22)	(2,717.08)	797.22	(2,259.80)	(1,548.64)
	Employee benefits expense	1,256.69	1,209.32	1,204.85	3,579.60	3,154.06	4,171.09
	Finance costs	99.85	112.48	139.06	335.15	398.91	508.48
	Depreciation and amortisation expense	1,116.25	1,121.02	987.60	3,297.57	2,689.40	3,755.84
	Other expenses	6,174.41	6,124.88	4,865.21	18,328.35	15,497.43	21,226.63
	Total expenses	28,561.94	28,613.19	26,926.66	88,819.64	85,478.03	120,544.59
5	Profit before exceptional and extraordinary items and tax (3 - 4)	3,142.02	4,026.89	3,269.89	12,208.86	15,440.47	19,105.82
6	Exceptional items	-	-	-	-	-	-
7	Profit before extraordinary items and tax (5 - 6)	3,142.02	4,026.89	3,269.89	12,208.86	15,440.47	19,105.82
8	Extraordinary items	-	-	-	-	-	-
9	Profit before tax (7 - 8)	3,142.02	4,026.89	3,269.89	12,208.86	15,440.47	19,105.82
10	Tax expense : (a+b)	731.02	615.88	595.19	2,458.88	2,311.33	3,343.41
	(a) Current tax	717.81	702.94	991.71	2,844.10	4,292.73	5,440.00
	(b) Deferred tax	13.21	(87.05)	(396.52)	(385.22)	(1,981.40)	(2,096.59)
11	Profit for the period from continuing operations (9-10)	2,411.00	3,411.01	2,674.70	9,749.98	13,129.14	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)	2,411.00	3,411.01	2,674.70	9,749.98	13,129.14	15,762.41
16	Share of Profit of Associates	11,272.75	8,004.36	(3,539.96)	16,608.95	5,852.52	649.13
17	Minority Interest	-	-	-	-	-	-
18	Profit for the period (15 + 16 +17)	13,683.75	11,415.37	(865.26)	26,358.93	18,981.66	16,411.54
19	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(20.73)
20	Total Comprehensive Income (After Tax) (18 + 19)	13,683.75	11,415.37	(865.26)	26,358.93	18,981.66	16,390.81
21	Comprehensive Income for the period attributable to owner of parent	13,683.75	11,415.37	(865.26)	26,358.93	18,981.66	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	3,362.06	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	40.70	35.04	(2.76)	81.06	60.56	52.29
27	(2) Diluted	26.40	22.02	(1.67)	50.85	36.62	31.62

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "KIRI INDUSTRIES LTD. AHMEDABAD" around the perimeter and a small star at the bottom.

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 February 12, 2020.

4. Earning per share for the quarter and nine months 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.

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

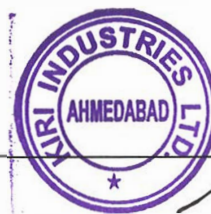
6. It is important to note that Valuation of stake of the company in Dystar shall be crystalized on the basis of financial position existing as on effective date of July 3, 2018 as per Order of Singapore International Commercial Court(SICC). Hence financials of Dystar post July 3, 2018 shall have no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

7. Relevant material information of a major investment in DyStar Group (Company holds 37.57% share holding) for the quarter ended December 31, 2019.

Sr. No	Particulars	US\$ in Mn.	INR in Mn. *
1	Revenue	228.30	16,271.85
2	Gross Margin	49.40	3,520.94
3	EBIT	11.80	841.03
4	Profit after tax	42.10	3,000.64

(* 1 US\$ = 71.2740 INR)

Date: February 12, 2020
Place: Ahmedabad



For Kiri Industries Limited

Manish Kiri
Managing Director

Steadfast Volume Growth across Product Portfolio sustaining Profits

William A. Donohue has been mentioned in his book *Managing Interpersonal Conflict* (1992) “Remain firm about your goals, but flexible about your methods”.

Kiri Industries Limited (Kiri) has remained firm on its goal to achieve growth under whatsoever business conditions and hence adapted concentrated approach on penetrating local markets for sale of dyes and dyes intermediates to beat economic contraction in global business environment. During the current quarter Kiri concentrated on volume growth across product portfolio and achieved Y-o-Y volume growth of 20%, therefore captured higher market share during current year.

During Q3FY20, Kiri attained consolidated EBIDTA margin of 13.84% in comparison to 14.57% in Q3FY19. Kiri’s Standalone EBIDTA margin in Q3FY20 is 10.52% in comparison to 10.14% margin in Q2FY20.

Generally December quarter is a seasonally low quarter on account annual plant maintenance, festivals of Diwali and Christmas etc. Specifically, around three week(s) maintenance time impacted the overall tone of the business in the third quarter. During the current quarter, the prices of dyes, dyes intermediates and basic chemicals have been under pressure on account of demand supply mismatch wherein average market prices of dyes were lower by 5% Q-o-Q basis and around 7% Y-o-Y basis. Similarly, average market prices of dyes intermediates were lower by 8% Q-o-Q basis and around 25% Y-o-Y basis whereas basic chemicals were lower by 7% Q-o-Q basis and around 45% Y-o-Y basis.

The Consolidated Net Profit after tax of Kiri for Q3FY20 amounts to Rs.176.26 Crore without taking into consideration the disputed exceptional write-downs/exceptional provisioning of Rs.39.42Crore in its Associate Company, DyStar.

The major contributors to the consolidated profits net of write downs/exceptional provisioning include Kiri Standalone, contributing Rs.11.34Crore, JV Company, Lonsen Kiri Chemical Industries Limited (LKCIL) contributing Rs.12.59Crore and Associate Company, DyStar contributed Rs.112.73Crore during Q3FY20.

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 Supreme Court (SICC). The financial performance of DyStar post July 3, 2018 shall have no impact on the valuation of Kiri's stake in DyStar.

Consolidated Operational Performance of Q3FY20

The Comparative Consolidated Operational Performance for Q3FY20 vis-à-vis Q2FY20 is as under:

Particulars	INR in Crore		
	Q3FY20	Q2FY20	YTD Dec 2019
Revenue from operation	315.11	325.64	1007.15
Other Income	1.93	0.77	3.14
Less: Operational Expenses	273.46	273.80	851.87
EBIDTA	43.58	52.60	158.42
EBIDTA %	13.83%	16.15%	15.73%
Depreciation	11.16	11.21	32.98
Finance Cost	1.00	1.12	3.35
Earnings Before Tax	31.42	40.27	122.09
Taxes	7.31	6.16	24.59
Other Comprehensive Income	-	-	-
Earnings After Tax	24.11	34.11	97.50
Share of Profit of Associates	112.73	80.04	166.09
Earnings After Tax	136.84	114.15	263.59
Earnings to Revenue	43%	35%	26%

The consolidated revenues in the current quarter have dropped by around 3% Q-0-Q basis and earnings before interest depreciation, tax and amortization in value terms

have reduced by 17% in Q3FY20 as compared to the previous quarter. EBIDTA margins have sustained at around 14%.

A comparative analysis of Consolidated Gross Margins in below three quarters clearly indicate that the margins are under control within range of 34%-38% because of backward integration of Kiri.

Particulars	Consolidated (INR in Crore)		
	Q3FY20	Q2FY20	Q3FY19
Revenue	317.04	326.40	301.97
Cost of Material	199.15	200.46	197.30
GP	117.89	125.95	104.67
GP (%)	37.19%	38.59%	34.66%

Gross Profit Margins have strengthened in Q3FY20 by around 2.5% as compared to Q3FY19.

During the current quarter, the consolidated financial statements depict the Earnings inclusive of provisioning and write-offs in DyStar Global Holdings (Singapore) Pte Ltd, the associate company of KIL where it holds 37.57%. DyStar Management has provided for certain exceptional charges to the statement of profit and loss of DyStar. It's net profit after tax and KIL's Share before and after such exceptional charges for the Q3FY20 and 9M ended December 31, 2019 are as below:

Particulars	Quarter Ended (in Mn US\$)				Nine Months Ended (In Mn US\$)	
	31/12/2019		30/09/2019		31/12/2019	
	DyStar	KIL's Share	DyStar	KIL's Share	DyStar	KIL's Share
Share of Profit Before Considering Extra Ordinary Items;	56.82	21.35	34.44	12.94	129.56	48.68
Share of Profit After Considering Extra Ordinary Items	42.10	15.82	30.40	11.42	62.23	23.38

Standalone-Operational Performance for Q3FY20

The Comparative Standalone Operational Performance for Q3FY20 vis-à-vis Q2FY20 is as under:

Particulars	INR in Crore		
	Q3FY20	Q2FY20	YTD Dec 2019
Revenue from operation	226.74	251.58	756.54
Other Income	1.35	0.73	2.18
Less: Operational Expenses	204.23	226.80	671.24
EBIDTA	23.86	25.51	87.48
EBIDTA %	10.52%	10.14%	11.56%
Depreciation	9.00	8.96	26.33
Finance Cost	0.95	1.06	3.15
Earnings Before Tax	13.92	15.49	58.00
Taxes	2.57	2.60	7.85
Other Comprehensive Income	-	-	-
Earnings After Tax	11.34	12.89	50.15
Earnings to Revenue	5.00%	5.12%	6.63%

Sales Revenue of standalone business has reduced by around 10% in Q3FY20 as compared to the previous quarter since average prices of all products reduced by 6% in Q3FY20 Q-o-Q basis and 15% Y-o-Y basis.

The comparative gross margins have strengthened in current quarter by around 334 basis points as compared to Q2FY20 and 490 basis points as compared to Q3FY19 which is depicted here-in-under:

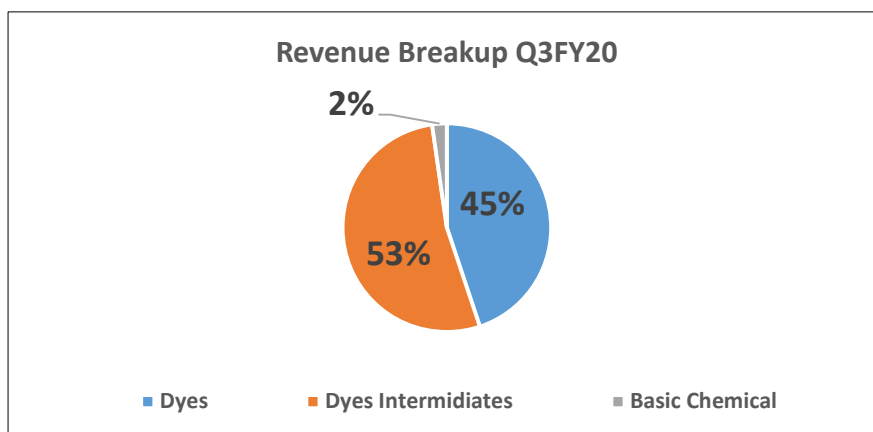
Particulars	Standalone (INR in Crore)		
	Q3FY20	Q2FY20	Q3FY19
Revenue	228.09	252.31	234.10
Cost of Material	139.55	162.82	154.71
GP	88.54	89.49	79.39
GP (%)	38.8%	35.5%	33.9%

During the current quarter finance cost has reduced by around 11% as compared to previous quarter and around 15% Y-o-Y basis primarily on account of reduced finance cost of discounting LCs and other bank charges.

Employees cost have remained consistent with a meagre increase of 3% in Q3FY20 as compared to the previous quarter. Fixed overheads have remained under control during the quarter.

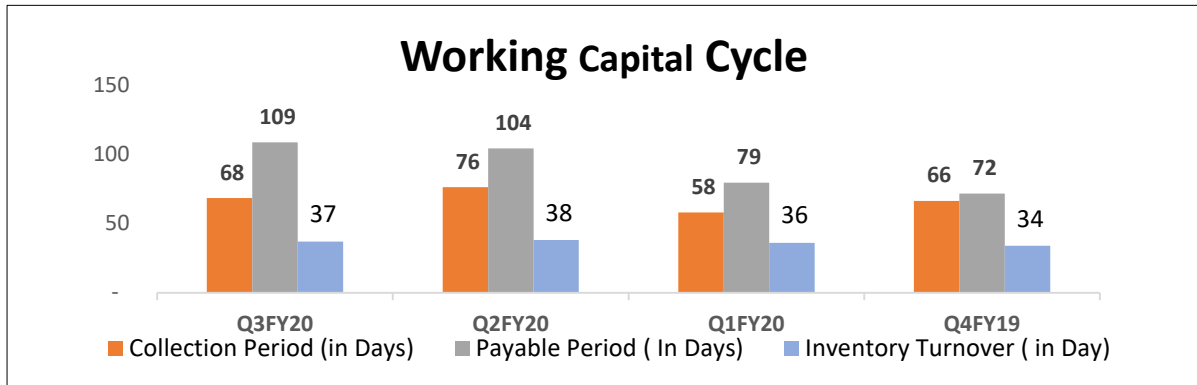
Operational expenses include legal expenses towards continuing litigation in matter of DyStar at Singapore International Commercial Court as well as Singapore Supreme Court which impacts the bottom line of the company, which have been continuously increasing to a significant number every quarter.

The revenues break-up in percentage terms amongst dyes, dyes intermediates and basic chemicals in Q3FY20 is as under:



Standalone- Working Capital Cycle:

The Working Capital Cycle chart here-in-under depicts the collection period to have reduced from 76days in Q2FY20 to around 68 days in Q3FY20, whereas payables have remained consistent at around 109days in Q3FY20 as compared to 104days in Q2FY20. Inventory turnover also has remained static at 37days in Q3FY20.



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 -4 (*Company’s minority oppression suit*) for valuation of the Company’s stake is fixed the hearing dates for the valuation trial 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.

Further SICC has passed their interim judgement on 9 January 2020 for assessment of damages to Dystar under their Case SIC-3 (*DyStar suit against Kiri*) on account of solicitation of customers of DyStar in Morrocco and Sri Lanka. As per directions in the said order both parties has submitted their calculation of damages and final order for payment of damages is awaited. The Company has preferred appeal against SICC order dated 9 January 2020 in respect of award of damages for one DyStar customer in Sri Lanka.

Senda International Capital Limited (“Senda”) has filed appeal with Court of Appeal in Singapore against the Singapore International Commercial Court (“SICC”) judgement dated 8th January, 2019 for not allowing minority discount on purchase of Kiri’s stake in DyStar and awards of full cost of Kiri’s minority oppression suit (“Suit 4”) against Senda and DyStar. The DyStar Global Holdings (Singapore) Pte. Ltd. (“DyStar”) had also filed appeal against said order dated 8 January 2019 for

award of cost of its claim (“Suit 3”) against the Company. The Court of Appeal heard the Senda and DyStar Appeal on 25th October 2019.

The Court of Appeal passed its judgement today and have dismissed the appeal of Senda with respect to Minority discount on purchase of Company’s stake in DyStar. The brief summary of judgement is given below:

1. Dismissed the Senda’s appeal on the minority discount on purchase of Company’s stake in DyStar.
2. Upheld the SICC’s order that the Company is to be awarded full costs on its claim in Suit 4;
3. Awarded 50% of the costs of DyStar’s claim in Suit 3 to DyStar against the Company and Manish Kiri (as against the SICC had awarded 10%);

Please note that award of 50% cost in suit 3 against Kiri for DyStar claim, the additional burden on Kiri would be negligible compared to the amount expected to be received by Kiri.

Future Outlook

In the medium term, the prices of dyes and dyes intermediates would in probability remain volatile because of the cut back in supply of dyes and dyes intermediates, especially dyes intermediates from China, because of outbreak of coronavirus in China, mainly in Hubei region which has a sizable chemical industry base, particularly of dyes and dyes industry in China. The cut back of supplies from China has increased the prices of dyes intermediates in the recent two weeks.

The company’s strength for its entire range of dyes and dyes intermediates products has been withstanding pricing pressures during the last three to four quarters by adapting dynamic product mix in accordance with requirement of the market situation. The flexibility to change product mix at its production facilities would

enable Kiri to take maximum advantage of favourable market conditions which seems to be round the corner.

The Capex Plan of the company is on track and in Q3FY20, the company incurred around Rs.20Crore towards technology advancement of existing manufacturing facilities and towards completion of speciality dyes intermediate projects.

Kiri is dedicated to innovate and strengthen its product range by improving efficiency by using advanced technology at its manufacturing facilities and enhance intrinsic value of the company and the group.

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.