

# Kiri Industries Limited

*Future Full of Colours.....*

November 12, 2018

To, BSE Limited 1 <sup>st</sup> Floor, Rotunda Building, B.S. Marg, Fort, Mumbai - 400 001 <b>Scrip Code: 532967</b>	To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 <b>Scrip ID – KIRIINDUS</b>
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Dear Sir/Madam,

**Subject: Outcome of Board Meeting and Compliances of Regulation 30 and 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.**

With reference to above mentioned Subject, We hereby inform you that the Board Meeting of the Company held on Monday, November 12, 2018 at the registered office of the Company at 7<sup>th</sup> Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380 006 have inter alia approved the standalone as well as Consolidated Unaudited Financial Result along with Limited Review Report(s) issued by M/s. Pramodkumar Dad & Associates, Statutory Auditors for the quarter and half year ended on September 30, 2018.

The Meeting was commenced at 12.20 P.M. and Concluded at 03.10 P.M.

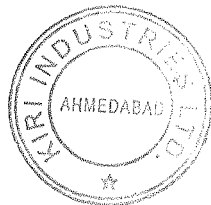
Please find attached herewith Standalone and Consolidated Unaudited Financial Results along with Limited Review Reports for the quarter and half year ended on September 30, 2018 and Management notes on results and same is also available on the website of the Company viz. [www.kiriindustries.com](http://www.kiriindustries.com).

We request to take the note of the same.

Thanking You,

**For Kiri Industries Limited**

**Suresh Gondalia**  
**Company Secretary**  
**Encl: As Stated**



#### DYES

Plot No : 299/1/A&B, Phase-II, Nr. Water Tank, GIDC, Vatva,  
Ahmedabad – 382 445, Gujarat, India.  
Phone : +91-79-25894477  
Fax : +91-79-25834960  
Email : [engage@kiriindustries.com](mailto:engage@kiriindustries.com) Web : [www.kiriindustries.com](http://www.kiriindustries.com)

#### INTERMEDIATES

Plot No : 396/399/403/404, EPC Canal Road, Village : Dudhwada,  
Tal. : Padra, Dist. : Vadodara - 391450. Gujarat, India.  
Phone : +91-2662-273444  
Fax : +91-2662-273444  
Email : [intermediates@kiriindustries.com](mailto:intermediates@kiriindustries.com) Web : [www.kiriindustries.com](http://www.kiriindustries.com)

#### CHEMICALS

Plot No : 552-A, 566, 567, 569-71, Village : Dudhwada, Tal. : Padra,  
Dist. : Vadodara- 391 450 Gujarat, India.  
Phone : +91-2662-273724, 25  
Fax : +91-2662-273726  
Email : [intermediates@kiriindustries.com](mailto:intermediates@kiriindustries.com) Web : [www.kiriindustries.com](http://www.kiriindustries.com)



**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 and half year ended September 30, 2018**

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

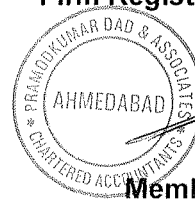
Dear Sirs,

We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Kiri Industries Limited ("the Company"), having its registered office at 7<sup>th</sup> Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380 006 for the quarter and half year ended September 30, 2018. 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) 2400, Engagements to Review Financial Statements 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 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 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 and SEBI circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 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, 2018**



# 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, 2018

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2018	30/06/2018	30/09/2017	30/09/2018	30/09/2017	31/03/2018
		(Unaudited)					(Audited)
1	<b>Revenue from Operations</b>	28,281.87	24,033.21	22,669.33	52,315.08	46,564.39	90,134.08
2	Other Income	51.10	43.68	145.32	94.78	155.96	325.02
3	<b>Total Revenue (1 + 2)</b>	<b>28,332.97</b>	<b>24,076.89</b>	<b>22,814.64</b>	<b>52,409.86</b>	<b>46,720.35</b>	<b>90,459.10</b>
4	<b>Expenses:</b>						
	Cost of Materials Consumed	18,093.79	14,743.34	13,977.86	32,837.13	28,401.13	56,400.19
	Purchases of Stock-in-Trade	-	-	714.24	-	1,189.84	1,526.37
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(204.57)	272.48	(629.81)	67.91	(1,211.50)	(2,206.68)
	Employee benefits expense	853.76	796.04	705.67	1,649.80	1,388.48	3,249.08
	Finance costs	119.31	92.90	21.91	212.21	46.37	165.42
	Depreciation and amortisation expense	655.97	602.81	592.44	1,258.78	1,174.03	2,504.86
	Other expenses	4,675.64	4,017.42	4,177.20	8,693.06	7,586.89	16,434.98
	Excise Duty on Sales	-	-	-	-	1,714.20	1,714.20
	<b>Total expenses</b>	<b>24,193.90</b>	<b>20,524.99</b>	<b>19,559.51</b>	<b>44,718.89</b>	<b>40,289.44</b>	<b>79,788.42</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 - 4)</b>	<b>4,139.07</b>	<b>3,551.90</b>	<b>3,255.13</b>	<b>7,690.97</b>	<b>6,430.91</b>	<b>10,670.68</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before extraordinary items and tax (5 - 6)</b>	<b>4,139.07</b>	<b>3,551.90</b>	<b>3,255.13</b>	<b>7,690.97</b>	<b>6,430.91</b>	<b>10,670.68</b>
8	Extraordinary items	-	-	-	-	-	-
9	<b>Profit before tax (7 - 8)</b>	<b>4,139.07</b>	<b>3,551.90</b>	<b>3,255.13</b>	<b>7,690.97</b>	<b>6,430.91</b>	<b>10,670.68</b>
10	<b>Tax expense : (a+b)</b>	<b>47.50</b>	<b>45.55</b>	<b>248.34</b>	<b>93.05</b>	<b>392.91</b>	<b>417.10</b>
	(a) Current tax	897.51	758.03	737.38	1,655.55	1,372.45	2,277.29
	(b) Deferred tax	(850.02)	(712.49)	(489.04)	(1,562.50)	(979.54)	(1,860.19)
11	<b>Profit for the period from continuing operations (9-10)</b>	<b>4,091.57</b>	<b>3,506.35</b>	<b>3,006.79</b>	<b>7,597.92</b>	<b>6,038.00</b>	<b>10,253.58</b>
12	Profit from discontinuing operations	-	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-	-
14	<b>Profit from Discontinuing operations (after tax) (12-13)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
15	<b>Profit for the period (11 + 14)</b>	<b>4,091.57</b>	<b>3,506.35</b>	<b>3,006.79</b>	<b>7,597.92</b>	<b>6,038.00</b>	<b>10,253.58</b>
16	Share of Profit of Associates	-	-	-	-	-	-
	Minority Interest	-	-	-	-	-	-
17	<b>Profit for the period (15 + 16)</b>	<b>4,091.57</b>	<b>3,506.35</b>	<b>3,006.79</b>	<b>7,597.92</b>	<b>6,038.00</b>	<b>10,253.58</b>
18	Other Comprehensive Income (Net of Tax)	-	-	0.32	-	4.28	6.90
19	<b>Total Comprehensive Income (After Tax) (17 + 18)</b>	<b>4,091.57</b>	<b>3,506.35</b>	<b>3,007.11</b>	<b>7,597.92</b>	<b>6,042.28</b>	<b>10,260.48</b>
20	Paid up Equity Share Capital	3,134.40	3,134.40	2,784.40	3,134.40	2,784.40	3,024.40
	Reserves excluding Revaluation Reserve	-	-	-	-	-	48,066.59
21	<b>Earnings per equity share:</b>						
	(1) Basic	13.05	11.19	10.80	24.25	21.70	35.80
	(2) Diluted	7.89	6.76	6.64	14.66	13.34	22.33





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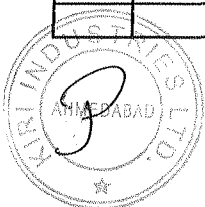
Phone No. (O) 079-26574371/72/73, (F) 079-26574374, Email: info@kiriindustries.com

website: www.kiriindustries.com

### Standalone Statement of Asset and Liabilities

(Rs. In Lakhs)

Particulars		Half year ended on	Year ended on
		30/09/2018	31/03/2018
		Unaudited	Audited
<b>Assets</b>			
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	34,186.34	34,847.18
	(b) Capital work-in-progress	5,960.52	3,212.85
	(c) Other intangible assets	9.90	13.06
	(d) Non-current investments	14,602.79	14,602.79
	(e) Financial Assets		
	(i) Investment	6.00	6.00
	(ii) Other Financial Assets	787.51	639.65
	(f) Other non-current assets	2,223.58	916.07
	<b>Total non-current assets</b>	<b>57,776.64</b>	<b>54,237.60</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	7,811.54	5,677.32
	(b) Financial Asset		
	(i) Current investments	1,600.00	2,220.00
	(ii) Trade receivables	17,266.59	17,495.84
	(iii) Cash and cash equivalents	1,703.70	558.45
	(iv) Bank balance other than cash and cash equivalents	97.14	98.21
	(v) Loans	1,463.85	1,201.84
	(vi) Other current financial assets	1,288.00	1,017.96
	(c) Current tax assets (net)	1,263.03	1,063.75
	(d) Other current assets	4,954.50	2,809.56
	<b>Total current assets</b>	<b>37,448.33</b>	<b>32,142.93</b>
	<b>Total assets</b>	<b>95,224.97</b>	<b>86,380.53</b>
<b>Equity and liabilities</b>			
<b>1</b>	<b>Equity</b>		
	(a) Equity share capital	3,134.40	3,024.40
	(b) Other equity	55,554.52	48,066.59
	<b>Total equity</b>	<b>58,688.92</b>	<b>51,090.99</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Non-current financial liabilities		
	(i) Borrowings	12,926.41	14,323.33
	(b) Provisions	1,221.06	1,221.06
	(c) Deferred tax liabilities (net)	3,451.73	3,356.92
	<b>Total non-current liabilities</b>	<b>17,599.21</b>	<b>18,901.31</b>
	<b>Current liabilities</b>		
	(a) Current financial liabilities		
	(i) Borrowings	2,057.76	1,311.71
	(ii) Trade payables	10,918.10	11,520.67
	(iii) Other financial liabilities	3,476.47	2,323.46
	(b) Other current liabilities	2,312.33	1,096.76
	(c) Provisions	172.19	135.63
	(d) Current tax liabilities (Net)	-	-
	<b>Total current liabilities</b>	<b>18,936.85</b>	<b>16,388.23</b>
	<b>Total equity and liabilities</b>	<b>95,224.97</b>	<b>86,380.53</b>





**Limited Review Report on Consolidated 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, 2018**

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

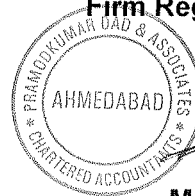
We have reviewed the accompanying statement of Unaudited Consolidated Financial Results Kiri Industries Limited and its subsidiary / Joint Venture & Associate Companies for the quarter and half year ended September 30, 2018. This statement has been prepared by the Company pursuant to the requirements 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) 2400, engagements to Review Financial Statements 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.

We did not review total revenue of Rs. 3815.65 Lakhs for the quarter ended September 30, 2018 and total revenue of Rs. 6201.94 Lakhs for half year ended September 30, 2018 included in the accompanying unaudited consolidated financial results, relating to one subsidiary (i.e. Chemhub Trading DMCC) whose financial informations have been reviewed by the other auditors and whose reports have been furnished to us by the Management.

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 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 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 and SEBI circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 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, 2018**



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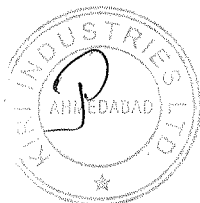
Phone No. (O) 079-26574371/72/73, (F) 079-26574374, Email: info@kiriindustries.com

website: www.kiriindustries.com

(Rs. in Lakhs)

## Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2018

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2018	30/06/2018	30/09/2017	30/09/2018	30/09/2017	31/03/2018
		(Unaudited)					Audited
1	Revenue from Operations	37,302.29	33,306.81	26,808.64	70,609.10	55,896.28	113,516.83
2	Other Income	40.66	72.19	10.12	112.85	58.27	159.08
3	<b>Total Revenue (1 + 2)</b>	<b>37,342.95</b>	<b>33,379.00</b>	<b>26,818.76</b>	<b>70,721.95</b>	<b>55,954.55</b>	<b>113,675.91</b>
4	<b>Expenses:</b>						
	Cost of Materials Consumed	21,489.46	19,004.79	16,155.94	40,494.25	32,338.64	68,094.11
	Purchases of Stock-in-Trade	1,556.55	1,500.21	574.87	3,056.76	2,763.65	4,794.40
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	252.58	204.70	(547.16)	457.28	(1,038.97)	(2,205.58)
	Employee benefits expense	1,006.27	942.94	884.48	1,949.21	1,705.11	3,821.60
	Finance costs	139.20	120.65	95.86	259.85	195.40	348.41
	Depreciation and amortisation expense	875.48	826.32	778.13	1,701.80	1,545.68	3,406.81
	Other expenses	5,712.11	4,920.11	4,850.30	10,632.22	8,818.79	19,095.51
	Excise Duty on Sales	-	-	-	-	1,823.67	1,823.67
	<b>Total expenses</b>	<b>31,031.64</b>	<b>27,519.72</b>	<b>22,792.42</b>	<b>58,551.37</b>	<b>48,151.97</b>	<b>99,178.93</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 - 4)</b>	<b>6,311.31</b>	<b>5,859.28</b>	<b>4,026.34</b>	<b>12,170.58</b>	<b>7,802.58</b>	<b>14,496.98</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before extraordinary items and tax (5 - 6)</b>	<b>6,311.31</b>	<b>5,859.28</b>	<b>4,026.34</b>	<b>12,170.58</b>	<b>7,802.58</b>	<b>14,496.98</b>
8	Extraordinary items	-	-	-	-	-	-
9	<b>Profit before tax (7 - 8)</b>	<b>6,311.31</b>	<b>5,859.28</b>	<b>4,026.34</b>	<b>12,170.58</b>	<b>7,802.58</b>	<b>14,496.98</b>
10	<b>Tax expense : (a+b)</b>	919.72	796.42	503.76	1,716.13	835.99	1,829.55
	(a) Current tax	1,771.12	1,529.90	973.21	3,301.02	1,795.94	3,761.66
	(b) Deferred tax	(851.40)	(733.48)	(469.45)	(1,584.88)	(959.95)	(1,932.11)
11	<b>Profit for the period from continuing operations (9-10)</b>	<b>5,391.59</b>	<b>5,062.86</b>	<b>3,522.58</b>	<b>10,454.45</b>	<b>6,966.59</b>	<b>12,667.43</b>
12	<b>Profit from discontinuing operations</b>	-	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-	-
14	<b>Profit from Discontinuing operations (after tax) (12-13)</b>	-	-	-	-	-	-
15	<b>Profit for the period (11 + 14)</b>	<b>5,391.59</b>	<b>5,062.86</b>	<b>3,522.58</b>	<b>10,454.45</b>	<b>6,966.59</b>	<b>12,667.43</b>
16	Share of Profit of Associates	5,831.93	3,560.55	5,737.98	9,392.48	12,661.49	23,134.70
	Minority Interest	-	-	-	-	-	-
17	<b>Profit for the period (15 + 16)</b>	<b>11,223.52</b>	<b>8,623.41</b>	<b>9,260.56</b>	<b>19,846.93</b>	<b>19,628.08</b>	<b>35,802.13</b>
18	Other Comprehensive Income (Net of Tax)	-	-	0.32	-	4.28	7.22
19	<b>Total Comprehensive Income (After Tax) (17 + 18)</b>	<b>11,223.52</b>	<b>8,623.41</b>	<b>9,260.88</b>	<b>19,846.93</b>	<b>19,632.36</b>	<b>35,809.35</b>
20	Paid up Equity Share Capital	3,134.40	3,134.40	2,784.40	3,134.40	2,784.40	3,024.40
	Reserves excluding Revaluation Reserve	-	-	-	-	-	137,445.90
21	<b>Earnings per equity share:</b>						
	(1) Basic	35.81	27.51	33.26	63.32	70.51	124.95
	(2) Diluted	21.65	16.64	20.45	38.29	43.35	77.93





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website: www.kiriindustries.com

## Consolidated Statement of Asset and Liabilities

(Rs. In Lakhs)

Particulars	Half year ended on	Year ended on
	30/09/2018	31/03/2018
	Unaudited	Audited
<b>Assets</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	39,341.36	40,328.43
(b) Capital work-in-progress	5,960.52	3,212.85
(c) Other intangible assets	773.68	846.10
(d) Non-current investments	104,160.19	94,767.71
(e) Financial Assets		
(i) Investment	6.20	6.20
(ii) Other Financial Assets	887.12	737.45
(f) Other non-current assets	2,777.72	1,651.16
<b>Total non-current assets</b>	<b>153,906.80</b>	<b>141,549.90</b>
<b>2 Current assets</b>		
(a) Inventories	13,321.19	11,907.49
(b) Financial Asset	-	-
(i) Current investments	-	-
(ii) Trade receivables	23,816.41	20,930.98
(iii) Cash and cash equivalents	3,236.25	1,249.83
(iv) Bank balance other than cash and cash equivalents	381.58	323.70
(v) Loans	1,446.20	1,184.20
(vi) Other current financial assets	1,118.22	905.49
(c) Current tax assets (net)	1,263.03	1,063.75
(d) Other current assets	6,335.61	3,674.69
<b>Total current assets</b>	<b>50,918.48</b>	<b>41,240.13</b>
<b>Total assets</b>	<b>204,825.28</b>	<b>182,790.03</b>
<b>Equity and liabilities</b>		
<b>1 Equity</b>		
(a) Equity share capital	3,134.40	3,024.40
(b) Other equity	157,043.84	137,445.90
<b>Total equity</b>	<b>160,178.24</b>	<b>140,470.30</b>
<b>2 Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Non-current financial liabilities		
(i) Borrowings	12,926.41	14,323.33
(b) Provisions	1,276.30	1,276.31
(c) Deferred tax liabilities (net)	3,922.39	3,849.95
<b>Total non-current liabilities</b>	<b>18,125.10</b>	<b>19,449.59</b>
<b>Current liabilities</b>		
(a) Current financial liabilities		
(i) Borrowings	1,896.26	1,571.91
(ii) Trade payables	16,307.32	16,807.32
(iii) Other financial liabilities	4,155.31	2,489.75
(b) Other current liabilities	2,323.93	1,143.98
(c) Provisions	174.71	138.14
(d) Current tax liabilities (Net)	1,664.40	719.04
<b>Total current liabilities</b>	<b>26,521.94</b>	<b>22,870.14</b>
<b>Total equity and liabilities</b>	<b>204,825.28</b>	<b>182,790.03</b>



**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 Auditor 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, 2018.
4. 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.
5. Previous period figures have been regrouped and rearranged, wherever considered necessary.
6. The Revenue from operation for the half year ended September 30, 2017 and year ended March 31, 2018 are inclusive of excise duty. Goods and Service Tax ("GST") has been implemented with effect from July 1, 2017 which replaces excise duty and other taxes. As per Ind AS 18, the revenue for the half year ended and quarter ended September 30, 2018 are reported net of GST and hence it is not comparable to that extent with other published periods.
7. Non current investment in consolidated financial result includes accumulated share of profit from associates of Rs.93,166.21 Lakh.
8. Dystar results for the quarter have several disputed, extraordinary and one time items, which the company contested as part of its overall minority oppression suit.
9. Relevant material information of a major investment in DyStar Group (Company holds 37.57% share holding) for the quarter ended September 30, 2018.

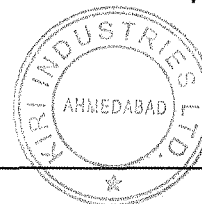
Sr. No	Particulars	US\$ in Mn.	INR in Mn. *
1	Revenue	284.5	20,636.66
2	Gross Margin	83.00	6,020.54
3	EBIT	32.90	2,386.45
4	Profit after tax	21.40	1,552.28

(\* 1 US\$ = 72.5366 INR)

For Kiri Industries Limited

Date: November 12, 2018

Place: Ahmedabad



Pravin Kiri  
Chairman



## Specialty Dyes support steadfast growth of KIL

Kiri Industries Limited (“KIL”), is one of the largest manufacturers and exporters of wide range of Dyes, Intermediates and Specialty Chemicals from India. Industrious approach of adding specialty dyes including disperse dyes, dyes intermediates, and Specialty Chemicals in its products portfolio has enabled the company not only to attain steadfast and sustained growth during past few years, but also to charter a road map for its future growth. The successful implementation of Zero Discharge facility has given further impetus to the sustainability of the company. KIL’s Thionyl Chloride Project has been implemented with commencement of trial production and commercial production is expected to kick start during current quarter.

KIL’s fully integrated business operations and commitment for fulfilling compliance of environmental norms are the two major enabling factors to withstand global competition.

## Update on Kiri’s Minority Oppression Suit in the matter of “DyStar”

In the current quarter, the hearing on Case Management Conference (CMC) was held on 11th September, 2018 as directed in the earlier Order. The Singapore International Commercial Court (“SICC”) has commenced the process of valuation of DyStar, parties has filed their respective submissions with the Court and Further CMC hearing has been fixed on November 23, 2018 to take forward the matters related to the valuation.

## KIL removed from Additional Surveillance Measure (ASM) List

Very recently KIL was removed from an additional surveillance measures list (ASM) w.e.f. October 30, 2018. In order to enhance market integrity and safeguard investors’ interest, SEBI and the Stock Exchanges have been continuously introducing various enhanced pre-emptive surveillance safeguards from time to time. Additional Surveillance Measure (ASM) is one such measure. ASM framework is in conjunction with all other prevailing surveillance measures being imposed by the Exchanges from time to time. Further, it should be noted that the shortlisting of securities under ASM is purely on account of market surveillance and it should not be constructed as an adverse action against the concerned company.

## Consolidated Operational Performance- Q2 2018-19

The Comparative Consolidated Operational Performance for Q2-FY19 vis-à-vis Q1-FY19 and Q2-FY18 is as under:

Particulars	Quarter Ended (INR in Crore)		
	September, 30 2018	June, 30 2018	September, 30 2017
Revenue from operation	373.02	333.07	268.09
Other Income	0.41	0.72	0.10
Less: Operational Expenses	300.17	265.73	219.18
<b>EBIDTA</b>	<b>73.26</b>	<b>68.06</b>	<b>49.00</b>
<b>EBIDTA %</b>	<b>19.64%</b>	<b>20.44%</b>	<b>18.28%</b>
Depreciation	8.75	8.26	7.78
Finance Cost	1.39	1.21	0.96
<b>Earnings Before Tax</b>	<b>63.11</b>	<b>58.59</b>	<b>40.26</b>
Taxes	9.20	7.96	5.04
Other Comprehensive Income	-	-	0.03
<b>Earnings After Tax</b>	<b>53.92</b>	<b>50.63</b>	<b>35.25</b>
Share of Profit of Associates	<b>58.32</b>	<b>35.61</b>	<b>57.38</b>
<b>Earnings After Tax</b>	<b>112.24</b>	<b>86.24</b>	<b>92.63</b>

The Consolidated Turnover and EBIDTA have increased in Q2-FY19 by 39% and 50% respectively in comparison to Q2-FY18. **Specialty Dyes and Dyes Intermediates were added to the portfolio of KIL, which in turn reinforced increase in consolidated turnover and earnings.** Sales at LKCIL have increased by 77% compared to Q2-FY18.

The Earnings after tax in absolute terms have increased by 21% in Q2-FY19 as compared to Q2 FY18. Share of KIL in DyStar's earnings for Q2-FY19 amounts to Rs.58.32 Crore which has increased by around 2% as compared to Q2-FY18. DyStar's performance in the financial statements have several disputed, extra-ordinary and onetime charges which have been charged since Calendar Year 2015.

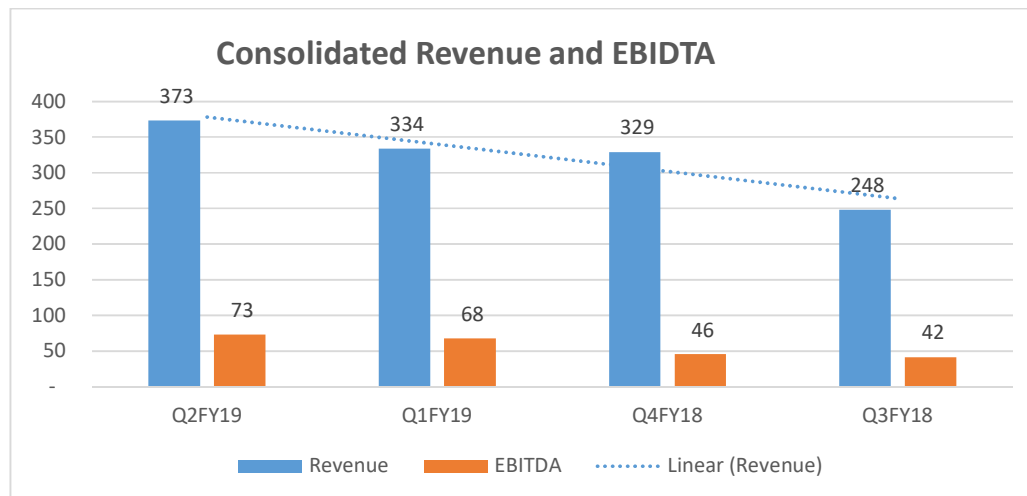
During half year ended September 30, 2018 the disputed amounts include impaired inventory (US\$39.6mio), impaired plant and machinery (US\$26.47mio), provision for bad and doubtful debts (US\$11.01mio), administrative Expenses (US\$2.18mio) and corporate guarantee fee(s) (US\$0.37mio) totaling to US\$79.63mio which are being disputed by KIL's nominated Directors on the Board of DyStar.

Comparative Analysis of Consolidated Gross Margins Q2-FY19 vis-à-vis Q2-FY18 and Q1-FY19 is as under:

Particulars	Consolidated (INR in Crore)		
	Q2FY19	Q1FY19	Q2FY18
Revenue	373.43	333.79	268.19
Cost of Material	232.99	207.10	161.84
GP	140.44	126.69	106.35
<b>GP (%)</b>	<b>37.61%</b>	<b>37.96%</b>	<b>39.66%</b>

The Gross Margins in absolute terms have increased by 32% as compared to Q2-FY18 mainly on account of increase in turnover. The improvised product mix in Q2-FY19 has ensured sustained gross margins of around 38%.

Consolidated Revenue and EBDITA include, revenues and earnings of KIL, LKCIL and Chemhub Trading DMCC (Dubai). The Comparative Chart of Consolidated Revenue and EBIDTA here-in-under indicates that the revenues have and margins have consistently increased over last four quarters.



The increasing trend of Consolidated Revenues from Rs.248Crore in Q3-FY18 to Rs.373Crore in Q2-FY19 is a substantial increase of around 50%. **The EBIDTA increase of 74% in Q2-FY19 in comparison to Q3-FY18 is the result of increase in the number of specialty products in the portfolio, broadening KIL's offering to its valued customers, and thereby consistently improving & strengthening its product mix.** Industry Margins on combined basis for dyes and dyes-intermediates have comparatively remained fairly stable during the last 12 months and so has the margins of KIL remained stable.

## Standalone Operational Performance of Q2 2018-19

The Comparative Standalone Operational Performance for Q2-FY19 vis-à-vis Q1-FY19 and Q2-FY18 is as under:

Particulars	Quarter Ended (INR in Crore)		
	September, 30 2018	June, 30 2018	September, 30 2017
<b>Net Revenues from Operations</b>	<b>282.82</b>	<b>240.33</b>	<b>226.69</b>
Other Income	0.51	0.44	1.45
Less: Operational Expenses	234.19	198.29	189.45
<b>EBIDTA</b>	<b>49.14</b>	<b>42.48</b>	<b>38.69</b>
<b>EBIDTA %</b>	<b>17.38%</b>	<b>17.67%</b>	<b>17.07%</b>
Depreciation	6.56	6.03	5.92
Finance Cost(incl Interest)	1.19	0.93	0.22
<b>Earnings Before Tax</b>	<b>41.39</b>	<b>35.52</b>	<b>32.55</b>
Taxes	0.47	0.46	2.48
Other Comprehensive Income	-	-	0.00
Earnings After Tax	40.92	35.06	30.07
<b>Earnings to Sales %</b>	<b>14.47%</b>	<b>14.59%</b>	<b>13.27%</b>

The Revenues from operations have increased by 25% in Q2-FY19 as compared to Q2-FY18.

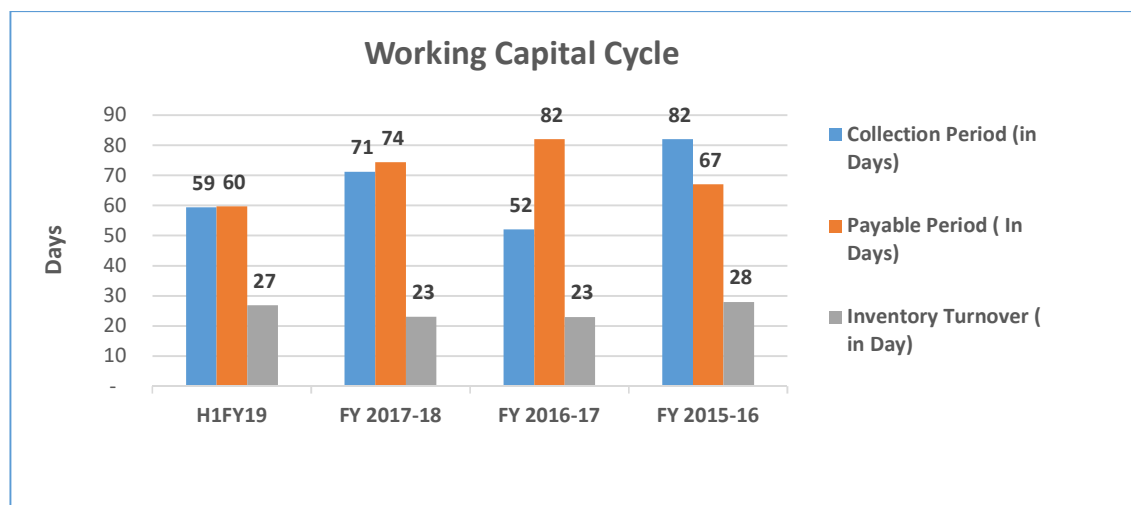
EBIDTA in absolute terms has increased by 27% as compared to Q2-FY18. The EBIDTA margins otherwise have been range bound and company has been able to achieve margins to sales at around 17%. Successfully implementing Capex Plans and strengthening products in the portfolio of dyes and dyes intermediates with consistent monitoring and continuously improving product mix based on market intelligence have supported KIL in controlling manufacturing and operational cost, giving improved sales realization, and earning better margins. The operational costs as percentage of sales have remained under control during the quarter similarly to previous quarter.

Comparative Analysis of Standalone Gross Margins Q2-FY19 vis-à-vis Q1-FY19 and Q2-FY18 is as under:

Particulars	Standalone (INR in Crore)		
	Q2FY19	Q1FY19	Q2FY18
Revenue	283.33	240.77	228.15
Cost of Material	178.89	150.16	140.62
GP	104.44	90.61	87.52
<b>GP (%)</b>	<b>36.86%</b>	<b>37.63%</b>	<b>38.36%</b>

Gross Margins have remained range bound between 36%-38% in the last five six quarters. KIL has successfully delivered consistent performance and has established a strong and reliable track records during past two years.

The Standalone Working Capital Cycle Management for H1-FY19 has been strengthened in the back drop of improved demand wherein collections have been recovered within 59-60 days as compared to 70-71 days during FY 2017-18.



The Working Capital Cycle has been consistently improving under tight vigil and strict control.

### Accumulated Losses of Previous Years wiped out

Despite earning good profits, KIL was unable to declared any dividend during previous years in view of the provisions of Section 123(1)(b) of the Companies Act, 2013 which prohibited declaration of dividend unless carried over previous losses and depreciation are set off against the current profits. KIL had accumulated losses amounting to Rs.234.63 Crore as on March 31, 2015. KIL is happy to announce that the entire accumulated losses have been wiped out by the end of Q2-FY19. Hence, the limiting provisions will not be applicable to

KIL from the ensuing quarter. As announced earlier from time to time, the profits of the Company which have decimated the losses have been utilized to repay outstanding debt and ploughed back to meet capital expenditure for Zero Liquid Discharge plant and certain new products.

## Future Outlook

Emerging protectionism along with increasing competition in international markets have compelled Governments internationally to keep on changing regulations and tariffs for giving their home industry an upper edge in comparison to its peers worldwide. In recent times, China, to a large extent, has found to become relatively lenient with environmental compliances which has enabled some of the dyes and chemical companies in China to restart their manufacturing operations. These type of actions would increase competition and would increase certain supplies which in turn shall impact the prices in the market

KIL has been persistent in its technological innovation drive. Its Capex Plan(s) have been implemented to improvise and strengthen its product portfolio of Dyes, Dyes Intermediates and Specialty Chemicals. With the commencement of certain types of naphthalene and aniline based intermediates, production of Disperse Dyes and implementation of Zero Discharge manufacturing at its Plants, the overall business shall increase and shall further support the company in improving its performance in future quarters. Further, Thionyl Chloride project should become fully operational by the end of the coming quarter, which shall further surge the earnings of the company.

In reflection to the turbulent global business environment with changing tariff restrictions and volatility of currency exchange rates among various countries, in short term, for the coming two to three quarters even though business environment is going to be challenging, KIL is keeping close tab on the markets for best utilizing its abilities and resources in the most efficient manner and thereby seizing every opportunity to strive to outperform its earlier performances.

## 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.*