



Kiri Industries Limited

Future Full of Colours.....

August 13, 2022

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 532967	To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip ID - KIRIINDUS
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Dear Sir/Madam,

Sub: Intimation of Conference Call and Q1-FY23 Earnings Presentation as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that a Conference Call is scheduled to be held on Tuesday, August 16, 2022 at 11.00 A.M. (IST) to discuss the Financial Performance of the Company for the quarter and half year ended June 30, 2022.

Please find attached herewith the invitation for the Conference Call and Q1-FY23 Earnings Presentation. The same is also available on the website of the Company at www.kiriindustries.com.

You are kindly requested to take note of the same.

Thanking you,

Yours faithfully,

For Kiri Industries limited

**Suresh Gondalia
Company Secretary**

Encl: As stated



DYES

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Ahmedabad - 382445, Gujarat, India.
Phone : +91-79-25894477
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Email : engage@kiriindustries.com Web : www.kiriindustries.com

INTERMEDIATES

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Tal. : Padra, Dist. : Vadodara - 391450. Gujarat, India.
Phone : +91-2662-273444
Fax : +91-2662-273444
Email : intermediates@kiriindustries.com Web : www.kiriindustries.com

CHEMICALS

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Phone : +91-2662-273724, 25
Fax : +91-2662-273726
Email : intermediates@kiriindustries.com Web : www.kiriindustries.com



Earnings Con-call Invite

VALOREM ADVISORS



VALOREM ADVISORS

is pleased to invite you for a Conference Call
to discuss Q1-FY23 earnings of
Kiri Industries Limited



on Tuesday 16th August, 2022 at 11:00 am (IST)

Kiri Industries Limited's Management will be represented by:

Mr. Manish Kiri - Managing Director
Mr. Jayesh Hirani - Senior Manager (Accounts and Finance)
Mr. Suresh Gondalia - Company Secretary

Dial in details

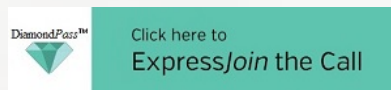
Universal Dial In: +91 22 6280 1341 / +91 22 7115 8242

International Numbers

USA Toll Free Number: 18667462133
UK Toll Free Number: 08081011573
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Hong Kong Toll Free Number: 800964448
USA Toll Number: +1 3233868721
UK - Toll Number: +44 2034785524
Singapore Toll Number: +65 31575746
Hong Kong Toll Number: +852 30186877

Accessible from all carriers.

Click below to connect your call without having to wait for an operator!





Kiri Industries Limited

Future Full of Colours.....



CHEMISTRY OF

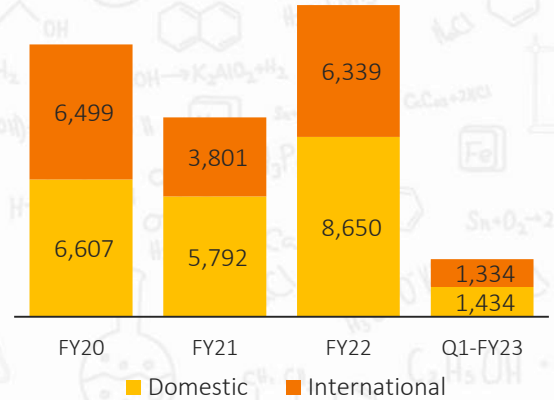
COLOURS

Q1-FY23 | EARNINGS PRESENTATION

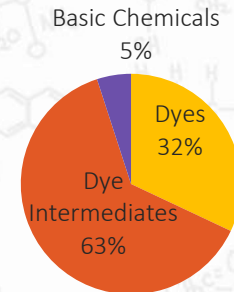
Company Overview



Consolidated Revenue Break-up (INR Mn)



Standalone Revenue Breakup (FY22)



- Established in 1998, Kiri Industries Limited (KIL), is based out of Gujarat and has emerged as one of the largest manufacturers and exporters of a wide range of Dyes, Dyes Intermediates and Basic Chemicals from India with 'Zero Effluent'.
- KIL is an accredited and certified Key Business Partner with world's top Dyestuff majors across Asia-Pacific, the EU and America.
- It provides products and services across the whole value chain in numerous industrial sectors (apparel, hosiery, automotive, carpets, leather, paper, home upholstery, industrial fabrics, etc.)
- In the 22 years of the Company's corporate journey, KIL has been focusing on providing products of high quality standards, executing collaborations and strategic acquisitions, implementing environmentally aligned R&D, finding innovative solution centric and all-encompassing customer care
- All initiatives taken by KIL has enabled it to set its footprints in over 50 countries across 7 continents.
- The Company has sizeable manufacturing facility of Dyes Intermediates and Basic chemicals at Padra (Baroda, Gujarat) and to strengthen its competitive edge in dyes vertical, KIL formed a joint venture with Longsheng (China) and set up a manufacturing facility for dyes.

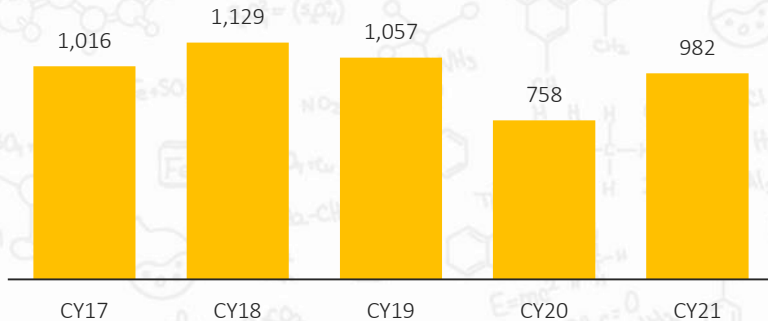
About DyStar



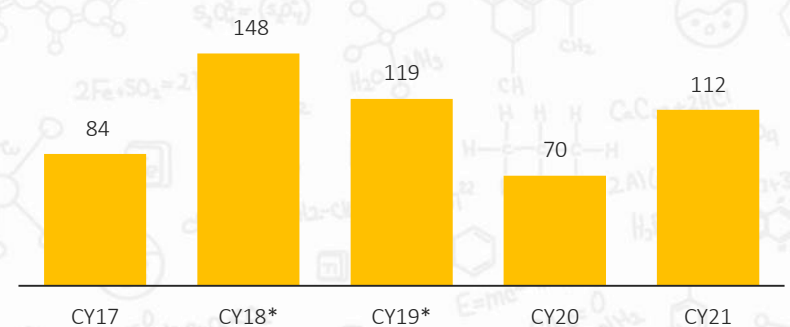
**KIL acquired DyStar
in 2010, along with
Zhenjiang Longsheng
holding 37.57%
presently**

- The DyStar Group is a leading dyestuff and chemical manufacturer and solution provider, offering a broad portfolio of colorants, specialty chemicals, and services to customers across the globe.
- With a heritage of more than a century in product development and innovation for the textile industry, DyStar also caters to multiple sectors including paints, coatings, paper and packaging industries. Its expansion into food and beverages and personal care sectors reinforces the company's position as a specialty chemical manufacturer.
- DyStar's global presence offers customers reliable access to experts from offices, competence centres, agencies and production plants spanning over 50 countries.
- DyStar has 16 manufacturing plants with a combined production capacity of 176,000 TPA. It is a market leader in global dyes market with a market share of over ~21%.
- It has expertise in dyes, dyes solutions, leather solutions, performance chemicals, and custom manufacturing of special dyes/pigments.

Total Revenue (USD Mn)



Profit after Tax (USD Mn)



* Includes disputed provisions / write off in CY18 and CY19 of USD 113.02 Mn and USD 26.56 Mn respectively

History

DyStar was founded in 1995 as a joint venture between Hoechst AG and Bayer Textile Dyes. In 2000, the textile dyes business from BASF was integrated. In 2010, DyStar Group was acquired by Kiri Industries Limited (KIL).

1995

FOUNDATION
JOINT
VENTURE OF:
Bayer AG and
Hoechst AG
(Textile dyes,
Ind.
Mitsubishi)



2002

ACQUISITION:
Color
Solutions
International



2007

ACQUISITION:
Texanlab



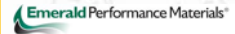
2012

FOUNDATION:
Sustainable
Textile
Solutions



2016

ACQUISITION:
Emerald
Performance
Materials
Specialities
Group



JOINT
VENTURE
OF:
Bayer AG,
Hoechst AG,
BASF AG
(Textile
dyes, Ind.
ICI/Zeneca
dyes and
Mitsui

2000



LAUNCH:
E-confidence
program

ACQUISITION:
Yorkshire
Americas,
Rotta Group
and Boehme
Group

2004-06

ACQUISITION
BY KIL

2010

ACQUISITION:
Lenmar
Chemicals
(Business and
Assets)

2013

Financial Highlights

Q1-FY23 Financial Highlights (Consolidated)

Operational Revenue
INR 2,767 Mn

EBITDA*
INR (85) Mn

EBITDA Margin*
NA

Net Profit*
INR (264) Mn

PAT Margin*
NA

Diluted EPS
INR 10.32

Q1-FY23 Financial Highlights (Standalone)

Operational Revenue
INR 1,714 Mn

EBITDA
INR (318) Mn

EBITDA Margin
NA

Net Profit
INR (279) Mn

PAT Margin
NA

Diluted EPS
INR (5.37)

Q1-FY23 Operational Highlights

Consolidated:

Dyes and Dyes Intermediates Industry experienced sluggish demand and unprecedented increase in input cost including raw material, power, gas & fuel during the last two financial years, with demands at rock bottom levels in Q1FY23, which was worst in around 3 decades.

Kiri's share of 40% in Lonsen Kiri Chemical Industries Limited (Lonsen Kiri) yields a turnover of INR 104.89 Crore and EBITDA of INR 23.13 Crore for Q1FY23 in consolidated financials of Kiri.

Standalone:

The reduction in sales in Q1-FY23, resulted into under absorption of fixed cost generating negative margins during the quarter.

Three major reasons for negative growth in demand are increase in raw material prices, dumping of dyes intermediates and dyes by China globally, and around 65% surge in cotton prices during Q4FY22.

The sluggish demand and volatile raw material prices have increased the payment cycle and reduced to some extent inventory churning. The company expects liquidity to smoothen in coming quarters and the payable cycle shall come down to 90 days in coming two to three quarters.

Dye intermediates, dyestuff and basic chemicals contributed 48%, 39% and 13% respectively to Q1FY23 revenues as against 67%, 28% and 5% respectively in Q4FY22.

The operations are expected to rebound in the coming quarters and the margins are expected to be positive with substantial increase in coming three to four quarters.

Update on DyStar court case in Singapore

The Singapore Supreme Court vide order dated 6 July, 2022 has overturned two appeal points of Kiri, and remanded the matter back to Singapore International Commercial Court (SICC) to give an effect to the decisions and to determine the quantum of notional licence fee on the basis of available evidences submitted by both parties and reversal of DLOM. Hence, 19% DLOM shall not be applicable while deciding final valuation of Kiri's stake in DyStar and the amount of notional licence fee shall be crystalized based on the evidences available to SICC. The SICC shall now decide final valuation of Kiri's stake after giving effect of DLOM and license fees. Further, Court has ordered Senda to pay Kiri costs of S\$180,000 (inclusive of disbursements) for Senda's appeals and disbursements of S\$47,623.46 incurred in Kiri's appeals, amounting total S\$227,623.46.

The SICC vide judgement dated 8 December, 2021 has awarded cost including disbursement of S\$ 8,111,642.11 to the Company. In same judgement the SICC has also ordered Senda to pay simple interest at the rate of 5.33% per annum from date of judgement to the date of payment to the Company. Senda has filed appeal with Singapore Supreme Court against the said judgement and hearing is fixed on 15 and 16 September, 2022.

In another case against DyStar, the SICC has delivered judgement on 24 September, 2021 on Kiri's counterclaim against DyStar in SIC/7-2020 and has dismissed Kiri's counterclaim and awarded all in cost of S\$ 11,37,856.41 to DyStar. The Company and DyStar have filed appeal with Court of Appeal (the Supreme Court of Singapore) against the said order and hearing at the Court of Appeal was fixed on 13 and 14 July 2022, which is now reschedule on 21 and 22 September, 2022.



Q1-FY23 FINANCIAL HIGHLIGHTS

Q1-FY23 Standalone Income Statement

PARTICULARS (INR Mn)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Revenue from Operations	1,714	1,995	(14.1)%	3,282	(47.8)%
Total Expenses	2,032	2,032	NA	3,220	(36.9)%
EBITDA	(318)	(37)	NA	62	NA
<i>EBITDA Margins (%)</i>	NA	NA	NA	1.89%	NA
Other Income	151	4	NA	6	NA
Depreciation	109	109	NA	108	0.9%
Finance Cost	13	9	44.4%	14	(7.1)%
PBT	(289)	(151)	(91.4)%	(54)	NA
Tax	(10)	(55)	81.8%	(20)	50.0%
Profit After Tax	(279)	(96)	NA	(34)	NA
<i>PAT Margins (%)</i>	NA	NA	NA	NA	NA
Other Comprehensive Income	-	-	NA	(3)	NA
Total Comprehensive Income	(279)	(96)	NA	(37)	NA
Diluted EPS (INR per share)	(5.37)	(1.85)	NA	(0.72)	NA

Q1-FY23 Consolidated Income Statement

PARTICULARS (INR Mn)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Revenue from Operations	2,767	2,928	(5.5)%	4,169	(33.6)%
Total Expenses	2,852	2,727	4.6%	3,920	(27.2)%
EBITDA	(85)	201	NA	249	NA
<i>EBITDA Margins (%)</i>	<i>NA</i>	<i>6.86%</i>	<i>NA</i>	<i>5.97%</i>	<i>NA</i>
Other Income	1	4	(75.0)%	5	(80.0)%
Depreciation	122	127	(3.9)%	120	1.7%
Finance Cost	13	10	30.0%	14	(7.1)%
PBT	(219)	68	NA	120	NA
Tax	45	0	NA	28	60.7%
Profit After Tax	(264)	68	NA	92	NA
<i>PAT Margins (%)</i>	<i>NA</i>	<i>2.32%</i>	<i>NA</i>	<i>2.21%</i>	<i>NA</i>
Share of Profit of Associates	799	838	(4.6)%	818	(2.3)%
Other Comprehensive Income	-	-	NA	(3)	NA
Total Comprehensive Income	535	906	(40.9)%	907	(41.0)%
Diluted EPS (INR per share)	10.32	17.47	(40.9)%	17.50	(41.0)%

HISTORICAL FINANCIALS

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	Q1-FY23
Revenue from Operations	9,690	6,892	11,368	1,714
Total Expenses	8,729	6,901	11,054	2,032
EBITDA	961	(9)	314	(318)
<i>EBITDA Margins (%)</i>	9.92%	NA	2.76%	NA
Other Income	41	20	18	151
Depreciation	366	390	436	109
Finance Cost	45	38	46	13
PBT	591	(417)	(150)	(289)
Tax	89	(52)	(57)	(10)
Profit After Tax	502	(365)	(93)	(279)
<i>PAT Margins (%)</i>	5.18%	NA	NA	NA
Other Comprehensive Income	(4)	(2)	(3)	-
Total Comprehensive Income	498	(367)	(96)	(279)
Diluted EPS (INR per share)	9.61	(7.08)	(1.85)	(5.37)

Standalone Balance Sheet

PARTICULARS (INR Mn)	FY20	FY21	FY22	PARTICULARS (INR Mn)	FY20	FY21	FY22
Equity	6,730	6,346	6,250	Non Current Assets	7,665	8,098	8,117
Equity Share Capital	336	336	518	a) Property, Plant and Equipment	4,635	5,189	5,062
Other Equity	6,394	6,010	5,732	b) Other Intangible assets	-	-	1
				c) Capital Work In Progress	767	579	590
Non Current Liabilities	1,124	1,113	337	d) Investment in Subsidiary/Associate	1,402	1,403	1,403
a) Financial Liabilities				e) Financial Assets			
(i) Borrowings	960	952	267	(i) Investments	1	1	-
(ii) Trade Payable	1	5	17	(ii) Trade Receivable	20	12	8
(iii) Other Financial Liabilities	10	12	13	(iii) Other financial assets	108	119	121
b) Provisions	135	144	40	f) Other Assets	732	698	779
c) Deferred Tax Liabilities (Net)	18	-	-	g) Deferred Tax Assets (Net)	-	97	153
d) Other Non Current Liabilities	-	-	-	Current Assets	3,210	2,832	2,449
				a) Inventories	970	1,070	1,158
Current Liabilities	3,021	3,471	3,979	b) Financial Assets			
a) Financial Liabilities				(i) Trade Receivables	1,887	1,446	1,034
(i) Borrowings	6	534	692	(ii) Cash and Cash Equivalents	55	40	42
(ii) Trade Payables	1,798	2,072	2,606	(iii) Bank balances other than above	13	17	18
(iii) Other Financial Liabilities	779	422	255	(iv) Loans	146	94	29
b) Other Current liabilities	350	421	401	(v) Other financial assets	31	43	21
c) Provisions	18	22	25	c) Current Tax Assets (Net)	-	5	16
d) Current Tax Liabilities (Net)	70	-	-	d) Other Current Assets	108	117	131
GRAND TOTAL - EQUITIES & LIABILITES	10,875	10,930	10,566	GRAND TOTAL – ASSETS	10,875	10,930	10,566

Historical Consolidated Income Statement

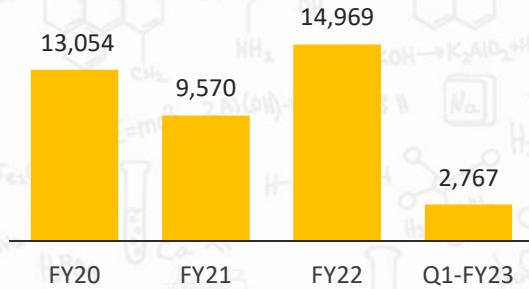
PARTICULARS (INR Mn)	FY20	FY21	FY22	Q1-FY23
Revenue from Operations	13,054	9,570	14,969	2,767
Total Expenses	11,193	8,744	13,756	2,852
EBITDA	1,861	826	1,213	(85)
<i>EBITDA Margins (%)</i>	14.26%	8.63%	8.10%	NA
Other Income	53	22	20	1
Depreciation	444	461	502	122
Finance Cost	49	40	48	13
PBT	1,421	347	683	(219)
Tax	264	129	154	45
<i>Profit After Tax</i>	1,157	218	529	(264)
<i>PAT Margins (%)</i>	8.86%	2.28%	3.53%	NA
Income from Associate	2,598	2,307	3,359	799
Other Comprehensive Income	(5)	(1)	(3)	-
Total Comprehensive Income	3,750	2,524	3,885	535
Diluted EPS (INR per share)	72.34	48.69	74.94	10.32

Consolidated Balance Sheet

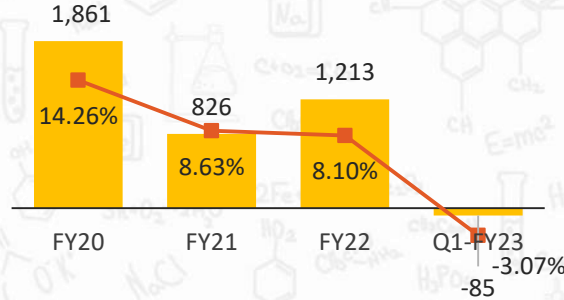
PARTICULARS (INR Mn)	FY20	FY21	FY22	PARTICULARS (INR Mn)	FY20	FY21	FY22
Equity	19,334	21,844	25,726	Non Current Assets	18,919	21,580	24,949
Equity Share Capital	336	336	518	a) Property, Plant and Equipment	5,062	5,591	5,430
Other Equity	18,998	21,508	25,208	b) Other Intangible assets	56	42	28
Non Current Liabilities	1,164	1,125	351	c) Capital Work In Progress	785	584	629
a) Financial Liabilities				d) Investment in Subsidiary/Associate	12,140	14,447	17,806
(i) Borrowings	960	952	267	e) Financial Assets			
(ii) Trade Payable	1	5	17	(i) Investments	1	1	-
(iii) Other Financial Liabilities	10	12	13	(ii) Trade Receivable	20	12	8
b) Provisions	145	156	54	(iii) Other financial assets	120	131	134
c) Deferred Tax Liabilities (Net)	48	-	-	f) Other Assets	735	700	781
d) Other Non Current Liabilities	-	-	-	g) Deferred Tax Assets (Net)	-	72	133
Current Liabilities	3,540	4,031	4,665	Current Assets	5,119	5,420	5,793
a) Financial Liabilities				a) Inventories	1,427	1,690	2,451
(i) Borrowings	6	534	692	b) Financial Assets			
(ii) Trade Payables	2,182	2,563	3,248	(i) Trade Receivables	3,204	3,293	2,887
(iii) Other Financial Liabilities	783	432	263	(ii) Cash and Cash Equivalents	124	74	132
b) Other Current liabilities	449	478	425	(iii) Bank balances other than above	29	30	54
c) Provisions	20	22	26	(iv) Loans	144	92	30
d) Current Tax Liabilities (Net)	100	2	11	(v) Other financial assets	31	44	21
GRAND TOTAL - EQUITIES & LIABILITES	24,038	27,000	30,742	c) Current Tax Assets (Net)	-	5	15
				d) Other Current Assets	160	192	203
				GRAND TOTAL – ASSETS	24,038	27,000	30,742

Consolidated Financial Highlights

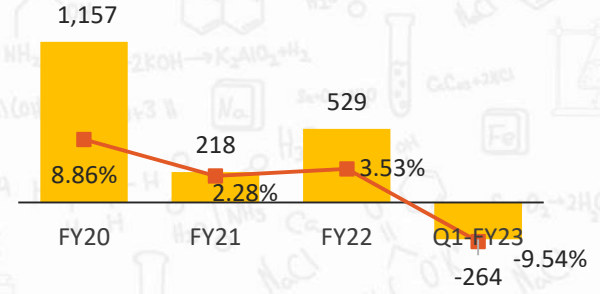
Operational Revenue (INR Mn)



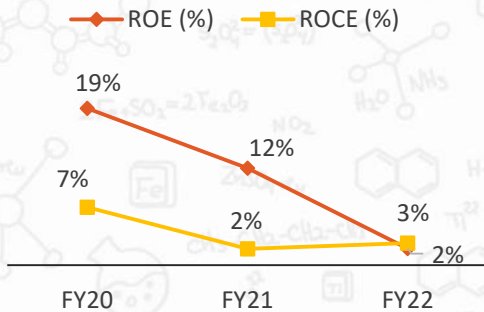
EBITDA (INR Mn)* & EBITDA Margins (%)*



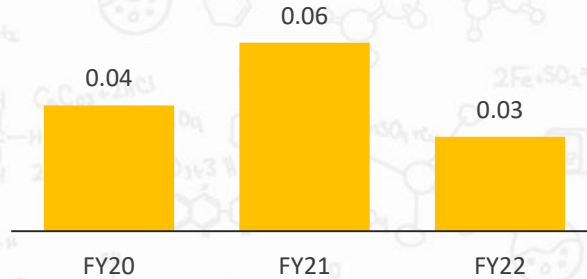
PAT (INR Mn)* & PAT Margins (%)*



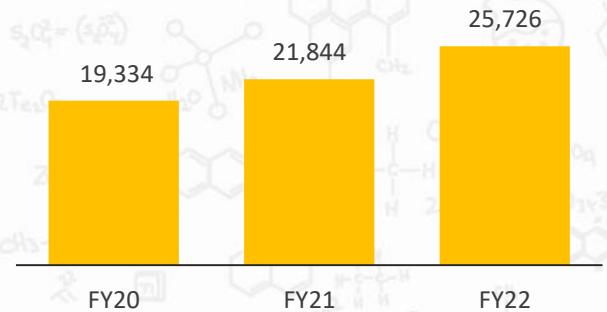
RoE and RoCE (%)*



Net Debt to Equity (x)

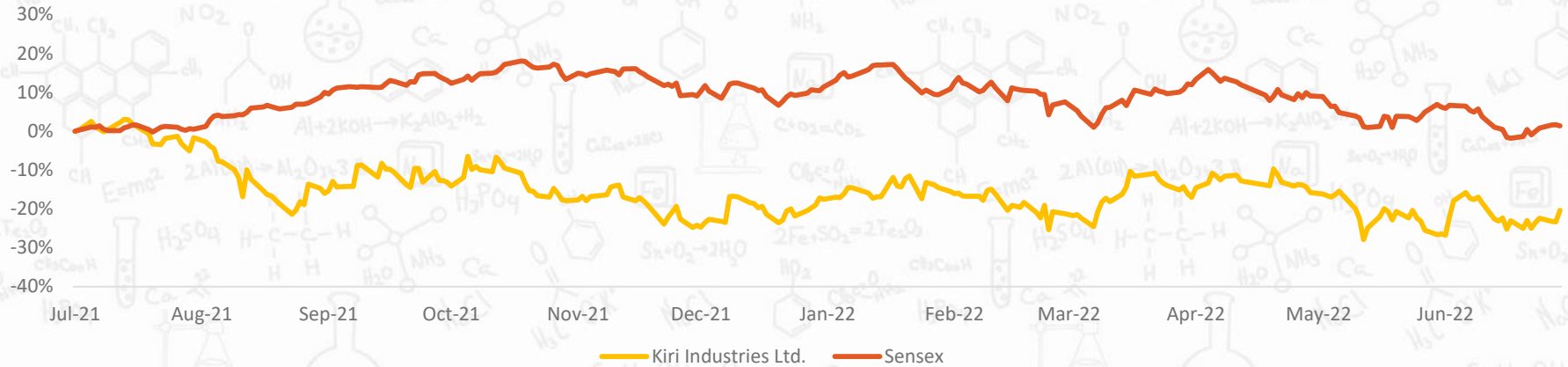


Net Worth (INR Mn)



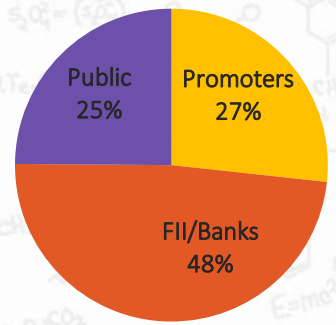
*Before share of profit of associate and OCI

Stock Market Performance (as on 30th June, 2022)



Price Data (As on 30 th June, 2022)	INR
Face Value	10.0
Market Price	465.2
52 Week H/L	619/421
Market Cap (Mn)	24,113.27
Equity Shares Outstanding (Mn)	51.8
1 Year Avg Trading Volume ('000)	211.1

Shareholding Pattern (As on 30th June, 2022)



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For further details, please feel free to contact our Investor Relations Representatives:



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Email: kiri@valoremadvisors.com



THANK YOU