

February 13, 2023

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 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: Submission of Earnings Presentation for Q3-FY23 as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and our letter dated February 07, 2023 regarding intimation of Conference Call scheduled to be held on Monday, February 13, 2023 at 02.00 p.m. (IST), please find attached herewith the Q3-FY23 Earnings Presentation.

The Q3-FY23 Earnings Presentation is also available on 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
Mem No. : FCS7306
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 **Web:** www.kiriindustries.com

INTERMEDIATES

Plot No: 396/399/403/404 EPC Canal Road, Village: Dudhwada,
Ta: Padra, Dist: Vadodara :- 391450 Gujarat, India.
Phone: +91-2662-273 444
Fax: +91-2662-273 444
Email: intermediates@kiriindustries.com **Web:** www.kiriindustries.com

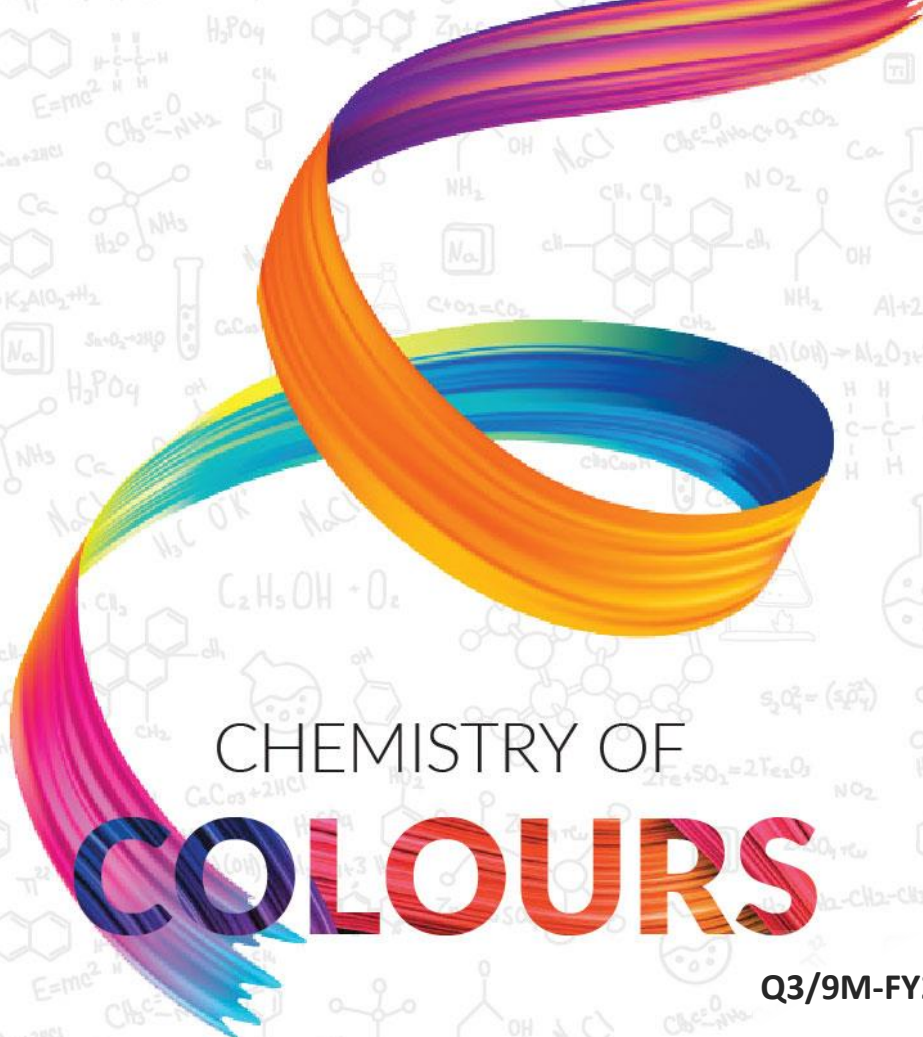
CHEMICALS

Plot No : 552, 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 **Web:** www.kiriindustries.com



Kiri Industries Limited

Future Full of Colours.....



CHEMISTRY OF

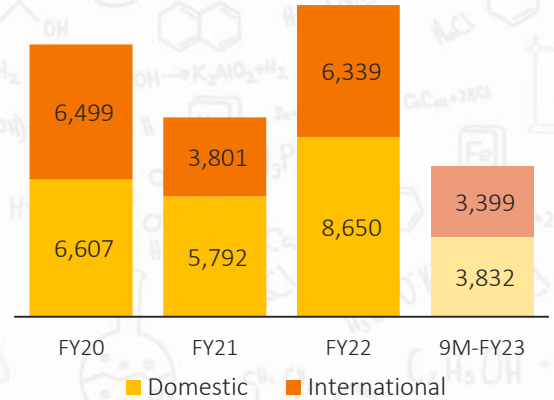
COLOURS

Q3/9M-FY23 | EARNINGS PRESENTATION

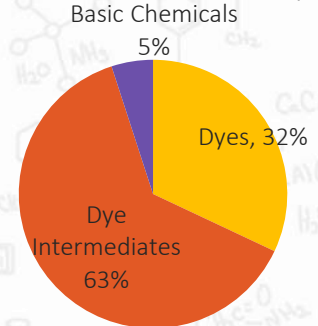
Company Overview



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 25 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.

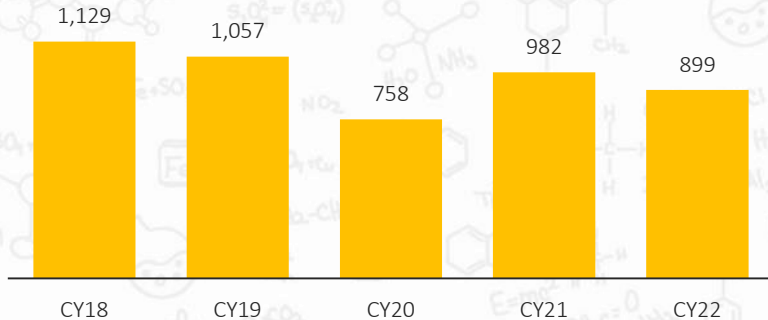
About DyStar



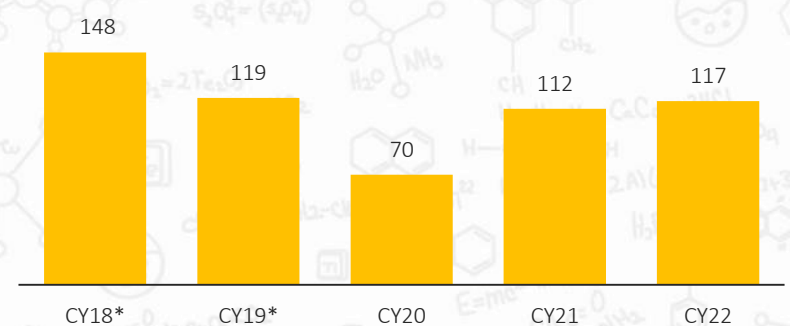
KIL acquired DyStar in 2010, along with Zhenjiang Longsheng holding 37.57% presently

- 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



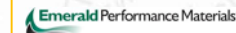
2012

FOUNDATION:
Sustainable Textile Solutions



2016

ACQUISITION:
Emerald Performance Materials Specialities Group



2000

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

2000

2004-06



LAUNCH:
E-confidence program
ACQUISITION:
Yorkshire Americas, Rotta Group and Boehme Group

2004-06

2010

ACQUISITION BY KIL

2010

2013

ACQUISITION:
Lenmar Chemicals (Business and Assets)

2013

Q3/9M-FY23 Financial Highlights

Q3-FY23 Financial Highlights (Consolidated)

Operational Revenue
INR 2,038Mn

EBITDA*
INR (171) Mn

EBITDA Margin*
NA

Net Profit*
INR (340) Mn

PAT Margin*
NA

Diluted EPS
INR 10.42

9M-FY23 Financial Highlights (Consolidated)

Operational Revenue
INR 7,226Mn

EBITDA*
INR (328) Mn

EBITDA Margin*
NA

Net Profit*
INR (866) Mn

PAT Margin*
NA

Diluted EPS
INR 32.44

Q3-FY23 Financial Highlights (Standalone)

Operational Revenue
INR 1,326 Mn

EBITDA
INR (303) Mn

EBITDA Margin
NA

Net Profit
INR (359) Mn

PAT Margin
NA

Diluted EPS
INR (6.92)

9M-FY23 Financial Highlights (Standalone)

Operational Revenue
INR 4,447 Mn

EBITDA
INR (941) Mn

EBITDA Margin
NA

Net Profit
INR (1,076) Mn

PAT Margin
NA

Diluted EPS
INR (20.76)

Q3/9M-FY23 Operational Highlights

Consolidated:

Globally, recessionary trends for dyes and dyes intermediates industry continued during Q3FY23 with product take off remaining subdued. Since outbreak of Covid-19 pandemic, with exception of few quarters, the industry has experienced very sluggish demand, not allowing industry players to pass on the increase in cost to its customers. Government(s) and Central Bank(s) globally, have been implementing counter measures against inflation, but the impact thereon has been gradual.

Basic raw materials for dyes intermediates are Benzene, Toluene, Xylene and Naphthalene which are crude based materials. The crude prices have remained volatile with upward trend, with increased prices of gas & fuel, margins in dyes intermediates industry continue to be impacted negatively.

Negative EBITDA was due to lower capacity utilization on account of low demand, as well as higher litigation costs along with conversion cost not getting fully absorbed and being able to pass on the cost increases to customers.

Except the higher litigation cost of Singapore Case accounted during Q3FY23, operational expenses have remained under control during Q3FY23 and have remained in line with operational expenses of previous two quarters.

The reversal in trend could possibly be experienced during FY24. The coming quarter, i.e. Q4FY23 the industry performance and that of the company would possibly not see much change as compared to previous three quarters.

The share of profit of associates, includes, share of profit of DyStar, which does not have any impact on the valuation of stake of Kiri in DyStar. The value of Kiri's stake in DyStar is US\$ 481.60 Million **plus the amount of license fees** for wrongfully using Patents of DyStar by Lonsgheng **plus the amount of 19% DLOM** which ought to be reversed.

Standalone:

Due to sluggish demand and volatile raw material prices, the payment cycle has lengthened and inventory churning has decreased. The company anticipates that liquidity will improve in the coming quarters, and that the payable cycle will normalize in FY24.

Other Income includes dividend of INR6.86 Crore from Lonsen Kiri Chemical Industries Limited, JV Company in which it holds 40% equity stake.

The quarter-wise gross margins saw improvement in Q3FY23 as compared to Q2FY23 but is still suppressed as compared to Q2FY23, with flat outlook for margins in Q4FY23. Markets anticipate improvement in margins in FY24 and beyond, after strengthening of demand.

Update on DyStar court case in Singapore

Longsheng Group's wholly owned subsidiary, Senda International Capital Limited (Senda) appeals had been dismissed earlier during Q2FY23 by the Supreme Court of Singapore (Court of Appeal) vide judgement dated 6 July, 2022.

Importantly, Kiri has prevailed on the issues in the Supreme Court with regards to 19% Discount for lack of marketability (DLOM) and the quantum of the notional licence fee payable by Longsheng to DyStar for its wrongful exploitation of Patent.

The Supreme Court had remanded the matter back to Singapore International Commercial Court (SICC) to given an effect to the decisions and to determine the quantum of notional licence fee based on available evidences submitted by both parties and reversal of DLOM.

As per 8 February 2023 SICC order, notional Licence fees shall be calculated from 31 August, 2010 to 23 March 2019 considering annual productions of 53,550 tonnes by Longsheng to arrive final valuation of Kiri's stake in DyStar.

Hence the amount of value of stake of Kiri in DyStar for buyout order execution from Senda shall be increased.

Senda's appeal with respect to legal cost judgment of the SICC was dismissed by Court of Appeal (the Supreme Court of Singapore) vide judgement dated 25 November, 2022. Senda failed to make payment of legal cost awarded to Kiri within deadlines extended up to 20 January 2023. Hence, Kiri has filed Writ of Seizure and Sale of Senda's shares held in DyStar Global Holdings (Singapore) Pte. Ltd. to the extent of recovery of cost awarded by SICC and Court of Appeal (Singapore Supreme Court).

In another case No. SIC7 with DyStar, Kiri and DyStar had filed appeal against SICC order with regards to preferred supplier status to Kiri. SICC had rejected Kiri's claim related to be treated as preferred supplier against DyStar vide its order dated 24 September, 2021. The hearing of Appeal at Supreme Court of Singapore had been Completed on 22 September, 2022 and order is reserved and awaited.



Q3/9M-FY23 FINANCIAL HIGHLIGHTS

Q3-FY23 Standalone Income Statement

PARTICULARS (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Revenue from Operations	1,326	3,458	(61.6)%	1,407	(5.8)%
Total Expenses	1,629	3,169	(48.6)%	1,726	(5.6)%
EBITDA	(303)	289	NA	(319)	5.0%
<i>EBITDA Margins (%)</i>	NA	8.36%	NA	NA	NA
Other Income	70	4	NA	1	NA
Depreciation	111	110	0.9%	111	NA
Finance Cost	17	12	41.7%	12	41.7%
PBT	(361)	171	NA	(441)	18.1%
Tax	(2)*	59	NA	(2)*	NA
Profit After Tax	(359)	112	NA	(439)	18.2%
<i>PAT Margins (%)</i>	NA	3.24%	NA	NA	NA
Other Comprehensive Income	-	-	NA	-	NA
Total Comprehensive Income	(359)	112	NA	(439)	18.2%
Diluted EPS (INR per share)	(6.92)	2.15	NA	(8.47)	18.3%

* Deferred Tax

9M-FY23 Standalone Income Statement

PARTICULARS (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Revenue from Operations	4,447	8,086	(45.0)%
Total Expenses	5,388	7,834	(31.2)%
EBITDA	(941)	252	NA
<i>EBITDA Margin(%)</i>	NA	3.12%	NA
Other Income	223	13	NA
Depreciation	332	328	1.2%
Finance Cost	42	33	27.3%
PBT	(1,092)	(96)	NA
Tax	(16)*	(37)*	NA
Profit After Tax	(1,076)	(59)	NA
<i>PAT Margin(%)</i>	NA	NA	NA
Other Comprehensive Income	-	-	NA
Total Comprehensive Income	(1,076)	(59)	NA
Diluted EPS (INR)	(20.76)	(1.13)	NA

* Deferred Tax

Q3-FY23 Consolidated Income Statement

PARTICULARS (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Revenue from Operations	2,038	4,294	(52.5)%	2,422	(15.9)%
Total Expenses	2,209	3,809	(42.0)%	2,493	(11.4)%
EBITDA	(171)	485	NA	(71)	NA
<i>EBITDA Margins (%)</i>	<i>NA</i>	<i>11.29%</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
Other Income	3	5	(40.0)%	2	50%
Depreciation	123	127	(3.2)%	123	NA
Finance Cost	18	12	50.0%	13	38.5%
PBT	(309)	351	NA	(205)	(50.7)%
Tax	31	106	(70.8)%	57	(45.6)%
Profit After Tax	(340)	245	NA	(262)	(29.8)%
<i>PAT Margins (%)</i>	<i>NA</i>	<i>5.71%</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
Share of Profit of Associates	880	815	7.9%	868	1.4%
Other Comprehensive Income	-	-	NA	-	NA
Total Comprehensive Income	540	1,060	(49.1)%	607	(11)%
Diluted EPS (INR per share)	10.42	20.45	(49.1)%	11.70	(10.9)%

9M-FY23 Consolidated Income Statement

PARTICULARS (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Revenue from Operations	7,226	10,801	(33.1)%
Total Expenses	7,554	9,836	(23.2)%
EBITDA	(328)	965	NA
<i>EBITDA Margins (%)</i>	<i>NA</i>	<i>8.93%</i>	<i>NA</i>
Other Income	6	14	(57.1)%
Depreciation	368	382	(3.7)%
Finance Cost	43	34	26.5%
PBT	(733)	563	NA
Tax	133	126	5.6%
Profit After Tax	(866)	437	NA
<i>PAT Margins (%)</i>	<i>NA</i>	<i>4.05%</i>	<i>NA</i>
Share of Profit of Associates	2,548	2,541	0.3%
Other Comprehensive Income	-	-	NA
Total Comprehensive Income	1,682	2,978	(43.5)%
Diluted EPS (INR)**	32.44	57.44	(43.5)%

**After considering share of profit of associate

HISTORICAL FINANCIALS

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	9M-FY23
Revenue from Operations	9,690	6,892	11,368	4,447
Total Expenses	8,729	6,901	11,054	5,388
EBITDA	961	(9)	314	(941)
<i>EBITDA Margins (%)</i>	9.92%	NA	2.76%	NA
Other Income	41	20	18	223
Depreciation	366	390	436	332
Finance Cost	45	38	46	42
PBT	591	(417)	(150)	(1,092)
Tax	89	(52)*	(57)*	(16)*
Profit After Tax	502	(365)	(93)	(1,076)
<i>PAT Margins (%)</i>	5.18%	NA	NA	NA
Other Comprehensive Income	(4)	(2)	(3)	-
Total Comprehensive Income	498	(367)	(96)	(1,076)
Diluted EPS (INR per share)	9.61	(7.08)	(1.85)	(20.76)

* Deferred Tax

Standalone Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	H1-FY23	PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
Equity	6,346	6,250	5,532	Non Current Assets	8,098	8,117	7,912
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,189	5,062	4,907
Other Equity	6,010	5,732	5014	b) Other Intangible assets	-	1	1
				c) Capital Work In Progress	579	590	582
Non Current Liabilities	1,113	337	471	d) Investment in Subsidiary/Associate	1,403	1,403	1,403
a) Financial Liabilities				e) Financial Assets			
(i) Borrowings	952	267	398	(i) Investments	1	-	-
(ii) Trade Payable	5	17	15	(ii) Trade Receivable	12	8	4
(iii) Other Financial Liabilities	12	13	12	(iii) Other financial assets	119	121	121
b) Provisions	144	40	46	f) Other Non - Current Assets	698	779	728
c) Deferred Tax Liabilities (Net)	-	-	-	g) Deferred Tax Assets (Net)	97	153	166
d) Other Non Current Liabilities	-	-	-	Current Assets	2,832	2,449	2,069
				a) Inventories	1,070	1,158	1,000
Current Liabilities	3,471	3,979	3,978	b) Financial Assets			
a) Financial Liabilities				(i) Trade Receivables	1,446	1,034	839
(i) Borrowings	534	692	33	(ii) Cash and Cash Equivalents	40	42	8
(ii) Trade Payables	2,072	2,606	2,935	(iii) Bank balances other than above	17	18	20
(iii) Other Financial Liabilities	422	255	240	(iv) Loans	94	29	33
b) Other Current liabilities	421	401	744	(v) Other financial assets	43	21	10
c) Provisions	22	25	26	c) Current Tax Assets (Net)	5	16	32
d) Current Tax Liabilities (Net)	-	-	-	d) Other Current Assets	117	131	127
GRAND TOTAL - EQUITIES & LIABILITES	10,930	10,566	9,981	GRAND TOTAL – ASSETS	10,930	10,566	9,981

Historical Consolidated Income Statement

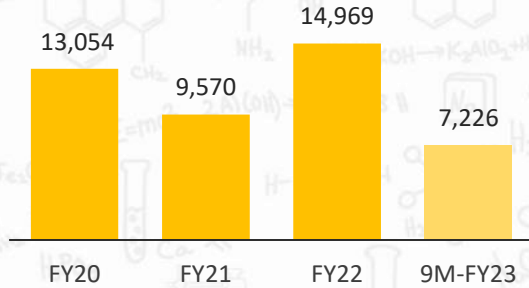
PARTICULARS (INR Mn)	FY20	FY21	FY22	9M-FY23
Revenue from Operations	13,054	9,570	14,969	7,226
Total Expenses	11,193	8,744	13,756	7,554
EBITDA	1,861	826	1,213	(328)
<i>EBITDA Margins (%)</i>	14.26%	8.63%	8.10%	NA
Other Income	53	22	20	6
Depreciation	444	461	502	368
Finance Cost	49	40	48	43
PBT	1,421	347	683	(733)
Tax	264	129	154	133
Profit After Tax	1,157	218	529	(866)
<i>PAT Margins (%)</i>	8.86%	2.28%	3.53%	NA
Income from Associate	2,598	2,307	3,359	2,548
Other Comprehensive Income	(5)	(1)	(3)	-
Total Comprehensive Income	3,750	2,524	3,885	1,682
Diluted EPS (INR per share)	72.34	48.69	74.94	32.44

Consolidated Balance Sheet

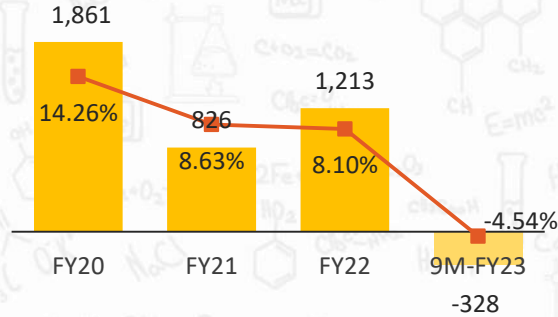
PARTICULARS (INR Mn)	FY21	FY22	H1-FY23	PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
Equity	21,844	25,726	26,862	Non Current Assets	21,580	24,949	26,412
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,591	5,430	5,264
Other Equity	21,508	25,208	26,344	b) Other Intangible assets	42	28	21
				c) Capital Work In Progress	584	629	630
Non Current Liabilities	1,125	351	485	d) Investment in Subsidiary/Associate	14,447	17,806	19,473
a) Financial Liabilities				e) Financial Assets			
(i) Borrowings	952	267	398	(i) Investments	1	-	-
(ii) Trade Payable	5	17	15	(ii) Trade Receivable	12	8	4
(iii) Other Financial Liabilities	12	13	12	(iii) Other financial assets	131	134	135
b) Provisions	156	54	60	f) Other Non – Current Assets	700	781	739
c) Deferred Tax Liabilities (Net)	-	-	-	g) Deferred Tax Assets (Net)	72	133	146
d) Other Non Current Liabilities	-	-	-	Current Assets	5,420	5,793	5,345
				a) Inventories	1,690	2,451	2,001
Current Liabilities	4,031	4,665	4,410	b) Financial Assets			
a) Financial Liabilities				(i) Trade Receivables	3,293	2,887	2,615
(i) Borrowings	534	692	33	(ii) Cash and Cash Equivalents	74	132	127
(ii) Trade Payables	2,563	3,248	3,277	(iii) Bank balances other than above	30	54	360
(iii) Other Financial Liabilities	432	263	249	(iv) Loans	92	30	23
b) Other Current liabilities	478	425	776	(v) Other financial assets	44	21	10
c) Provisions	22	26	27	c) Current Tax Assets (Net)	5	15	32
d) Current Tax Liabilities (Net)	2	11	48	d) Other Current Assets	192	203	177
GRAND TOTAL - EQUITIES & LIABILITES	27,000	30,742	31,757	GRAND TOTAL – ASSETS	27,000	30,742	31,757

Consolidated Financial Highlights

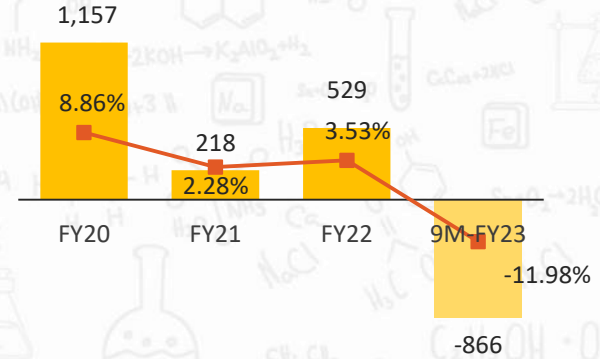
Operational Revenue (INR Mn)



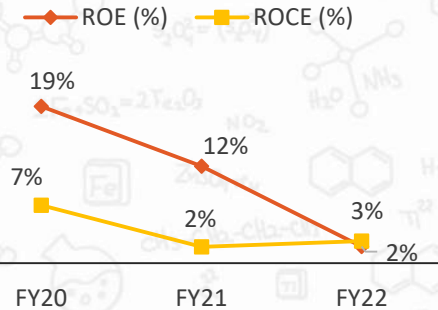
EBITDA (INR Mn)* & EBITDA Margins (%)*



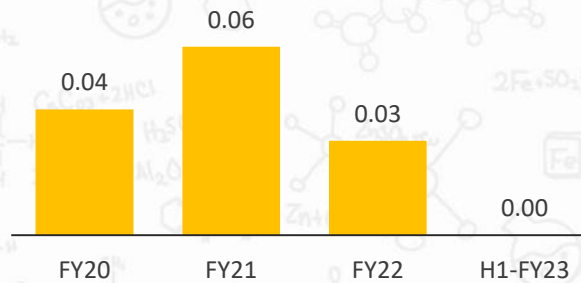
PAT (INR Mn)* & PAT Margins (%)*



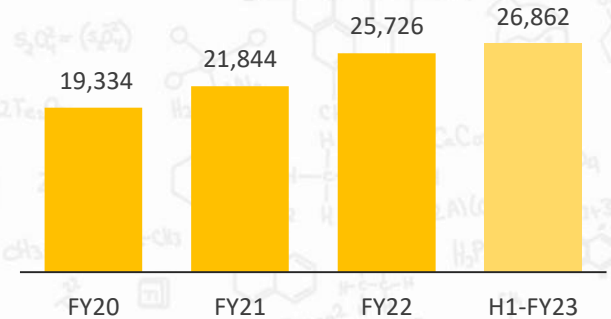
RoE and RoCE (%)*



Net Debt to Equity (x)



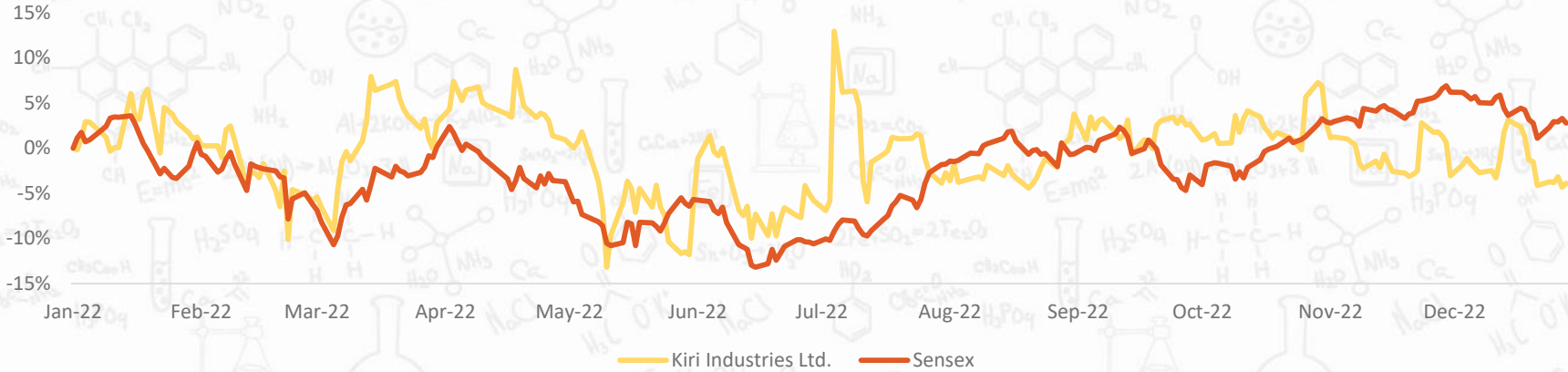
Net Worth (INR Mn)



*Before share of profit of associate and OCI

Capital Market Data

Stock Market Performance (as on 31st December, 2022)

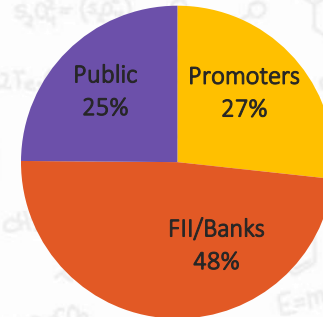


Price Data (As on 31st December, 2022)

INR

Face Value	10.0
Market Price	471.0
52 Week H/L	566/421
Market Cap (Mn)	24,413.9
Equity Shares Outstanding (Mn)	51.8
1 Year Avg Trading Volume ('000)	181.2

Shareholding Pattern (As on 31st December, 2022)



Disclaimer

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Mr. Anuj Sonpal
Valorem Advisors

Tel: +91-22-4903-9500

Email: kiri@valoremadvisors.com



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