

July 10, 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 Investor Presentation-June 2023 - 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, please find attached herewith the Investor Presentation-June 2023.

The said 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. : F7306
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

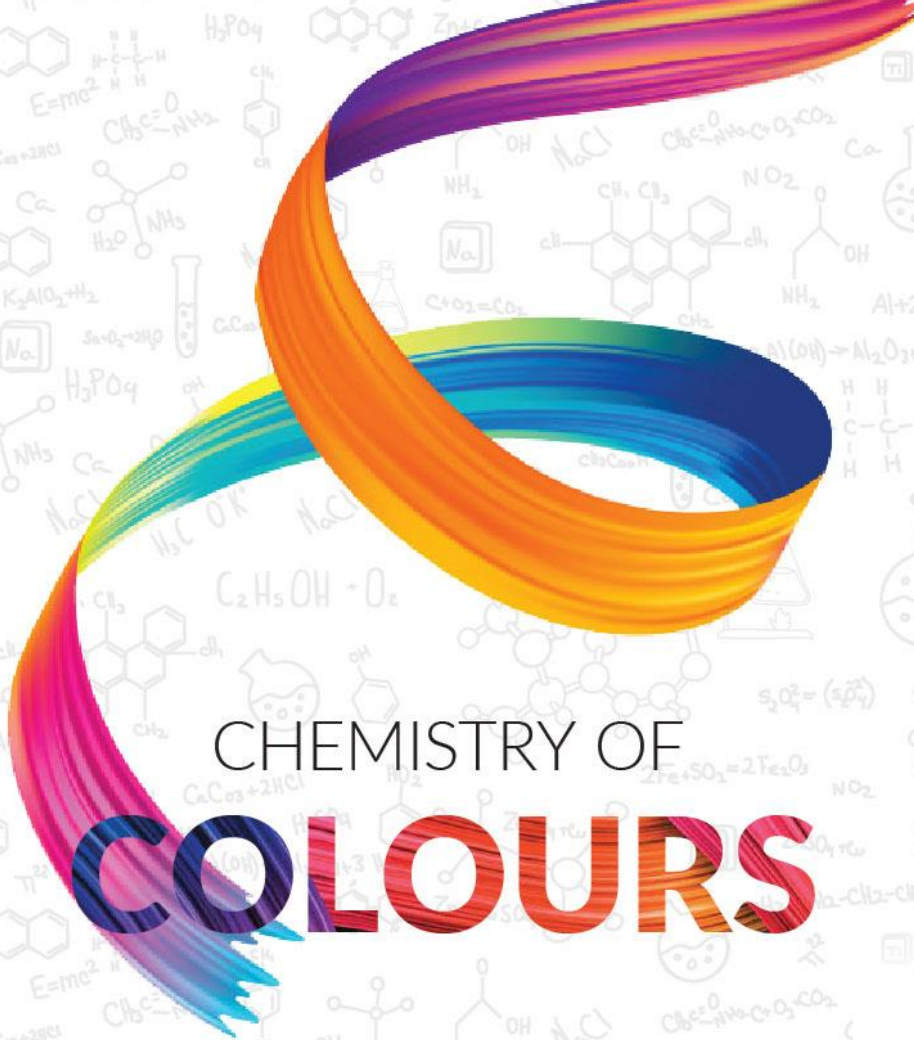
CHEMICALS

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

INVESTOR PRESENTATION

June 2023

Executive Summary



OVERVIEW

- Kiri Industries Limited (KIL) is one of the largest manufacturers and exporters of a wide range of Dyes, Dyes Intermediates and Basic Chemicals from India.
- KIL is an accredited and certified Key Business Partner with the world's top Dyestuff majors across Asia-Pacific, the EU and America.
- It has sophisticated quality control practices and procedures, modern manufacturing facilities and ERP driven enterprise management that enabled KIL to offer internationally recognized quality products and services.
- KIL is listed on both the BSE and NSE exchanges and has a market capitalisation of approximately INR 14,702.8 Mn as on 31st March, 2023.

PRODUCTS

Dyes Intermediates
H-acid
Vinyl Sulphone
Specialty Intermediates
Naphthalene and Aniline
based intermediates

Dyes
Reactive dyes
Acid Dyes
Direct Dyes
Disperse Dyes

Basic Chemicals
Sulphuric Acid
Oleum 65% and 23%
Chloro Sulphonic Acid
Thionyl Chloride

INDUSTRIES CATERED

For Dyes intermediates

- Various manufacturers of reactive dyes across the globe.

For Dyes

- Textile manufacturers, including manufacturers of cotton fabrics, dress material, papers, carpets, bed sheets, etc.
- Leather manufacturing, dyeing, finishing, etc.

FY23 CONSOLIDATED FINANCIAL HIGHLIGHTS

OPERATIONAL REVENUE
INR 9,451 Mn

EBITDA
INR (374) Mn

PAT
INR (1050) Mn

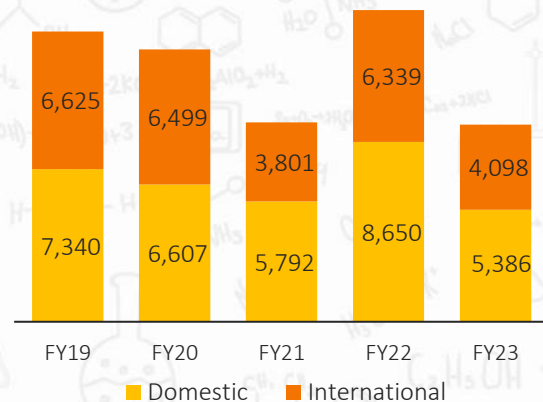


COMPANY OVERVIEW

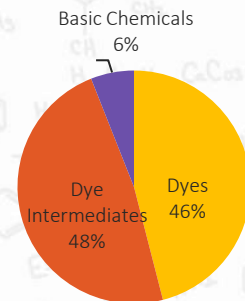
Company Overview



Consolidated Revenue Break-up (INR Mn)



Revenue Breakup FY23 (Standalone)



- 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.

Management Team



Manish Kiri (Managing Director & Chairman)

- He has a Bachelors of Engineering (Electronics & Communication) from Gujarat University and a Master's Degree in Business Management from Wayne State University, USA.
- He envisions the company's operational strategies and its future forays and expansions. He also designs its marketing strategies and commands their implementation. He oversees the overall sales and exports, customer relationship management and expansions, ensuring a sustainable growth of the company.
- He was the force behind the Company's JV (Lonsen Kiri Chemical Industries Ltd.), and acquisition of DyStar.
- He was awarded the 'Outstanding Entrepreneur' by Ahmedabad Management Association in the year 2011.

Yagnesh Mankad (Whole Time Director):

- He is a B.E. (Mechanical Engineering) & MBA graduate
- He has 43 years' experience and exposure in the field of Engineering, Plastics, Textiles and Chemical industries across the corporates.
- He has also vast working experience in operations, marketing, implementation of large projects and corporate affairs.

Girish Tandel (Whole Time Director):

- He holds holds master degree in science, master of philosophy in Polymer Chemistry and doctorate degree in Synthesis and Physico-Chemical characterization of some Homo and co-polymers based on S-Triazine.
- He has 34 years' experience and exposure in the field of chemicals industries for new product development, improvement in exiting process of manufacturing of various range of dyes.
- Part of the technical working group for the Best Available Technique Reference (BREF) Document of Gujarat for Textile Sector and also Technical committee member of PCD 26

Keyur Bakshi (Independent Director):

- He is a practicing Company Secretary and holds degrees in Commerce and Law from Gujarat University.
- He is a Fellow Member of the Institute of Company Secretaries of India and had served as the President of the Institute of Company Secretaries of India in the year 2008.
- Actively involved in various assignments relating to Corporate Laws, Finance, amalgamations, mergers / de-mergers, acquisitions and takeovers, corporate restructuring and planning.

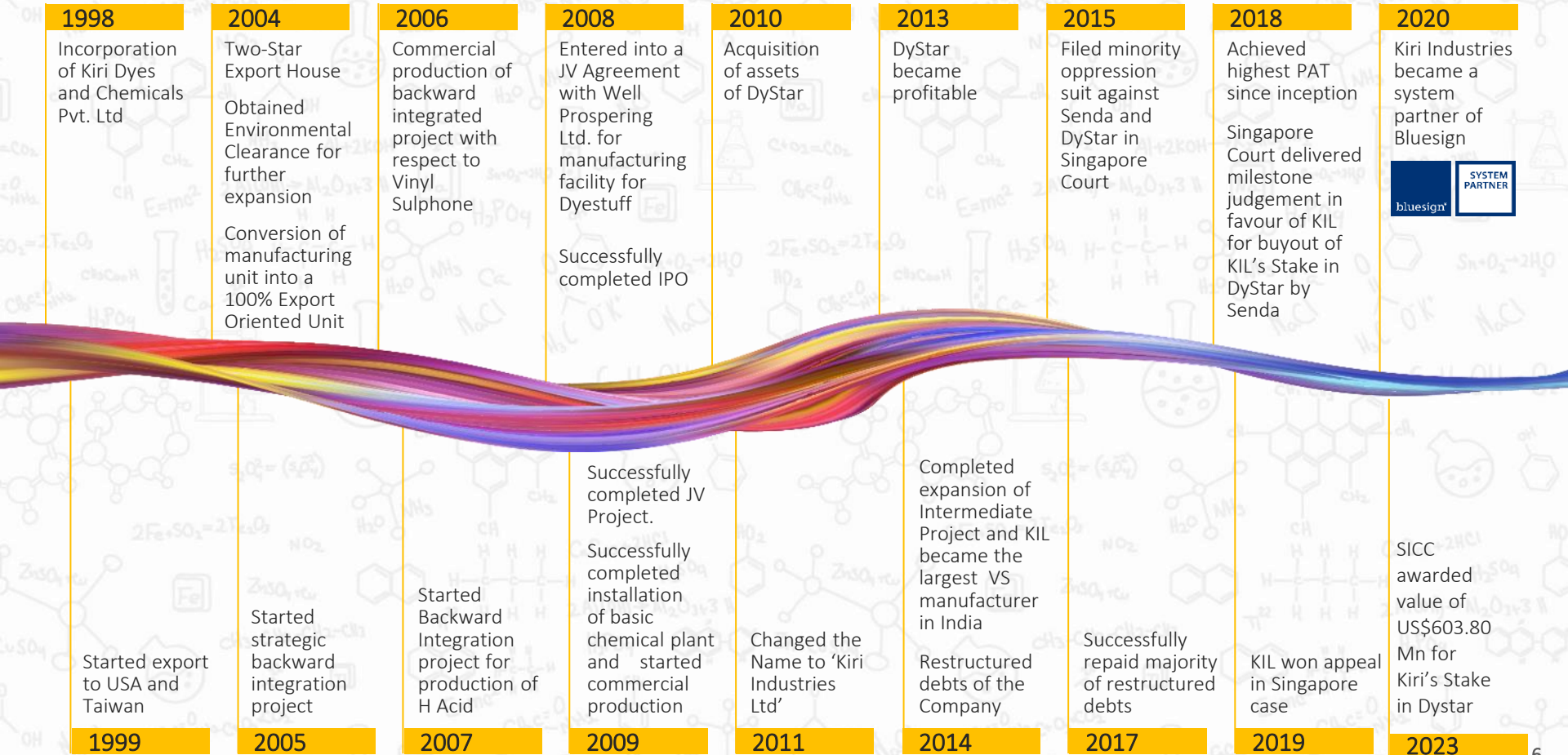
Mukesh Desai (Independent Director):

- He has an engineering background with more than 35 years of techno commercial management experience in multi-product, multi location project installation and operation.

Veena Padia (Independent Director):

- She has a Masters of Economics from M. S. University and has vast leadership experience in providing strategic advisory expertise and directing development and implementation of widespread programmes and organisations through insights into livelihood, education, microfinance, gender, and health relating to gender and marginalised and socially excluded communities.
- She has worked with private-sector CSR divisions, government agencies and international donors and NGOs such as World Bank, CARE, etc.

Key Milestones



Manufacturing Facilities

Unit I, Unit II & IV



Location: Ahmedabad, India.

Products manufactured:

- S. O. Dyes
- Disperse Dyes

Capacity Installed:

- Reactive Dyes : 36,000 MTPA
- Disperse Dyes: 8,000 MTPA

Unit V



Location: Vadodara, India.

Products manufactured:

- Sulphuric acid
- Oleum
- Chloro-sulphonic acid along with 3.3 MW steam based power plant

Capacity Installed:

- Basic Chemicals : 500 TPD (182,500 MTPA)
 - Sulphuric Acid – 280 TPD
 - Oleum – 23% – 50 TPD
 - Oleum – 65 % – 70 TPD
 - Chloro Sulphonic Acid – 100 TPD
- Thionyl Chloride – 150TPD

Unit III



Location: Vadodara, India.

Products manufactured:

- Intermediates - Vinyl Sulphone, H. Acid and other specialties.

Capacity Installed:

- Commodity Intermediates - 25,200 MTPA
 - Vinyl Sulphone - 18,000 MTPA
 - H-Acid - 7,200 MTPA
- Specialty Intermediates : 16,000 MTPA
- Acetanilide - 12,000 MTPA

Lonsen Kiri Plant JV with Longsheng (China)



Location: Vadodara, India.

Products manufactured:

- Reactive Dyes
- Capacity Installed:**
- 50,000 MTPA

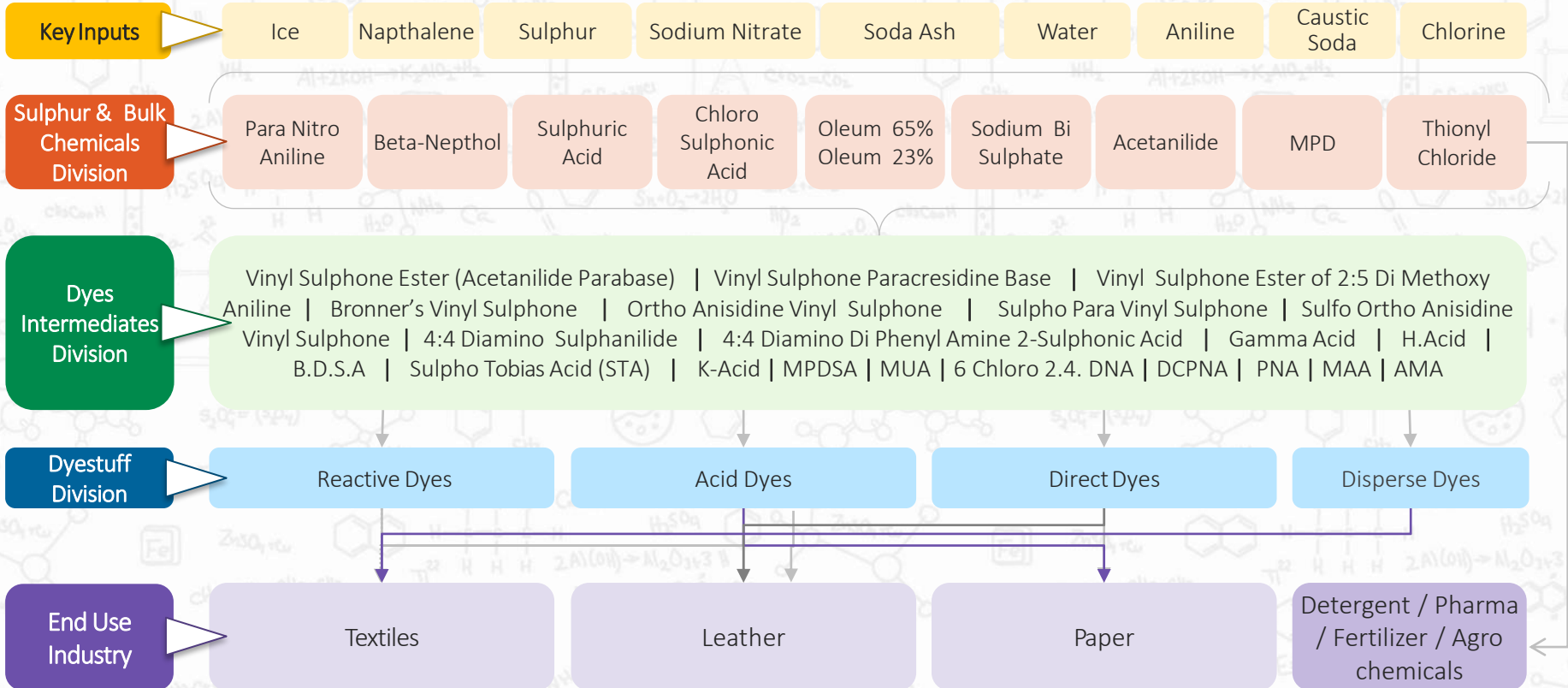
Note:

- A JV Company between Zhejiang Longsheng (China) (60%) and KIL (40%).
- Engaged in the activity of manufacturing and selling reactive dyes.

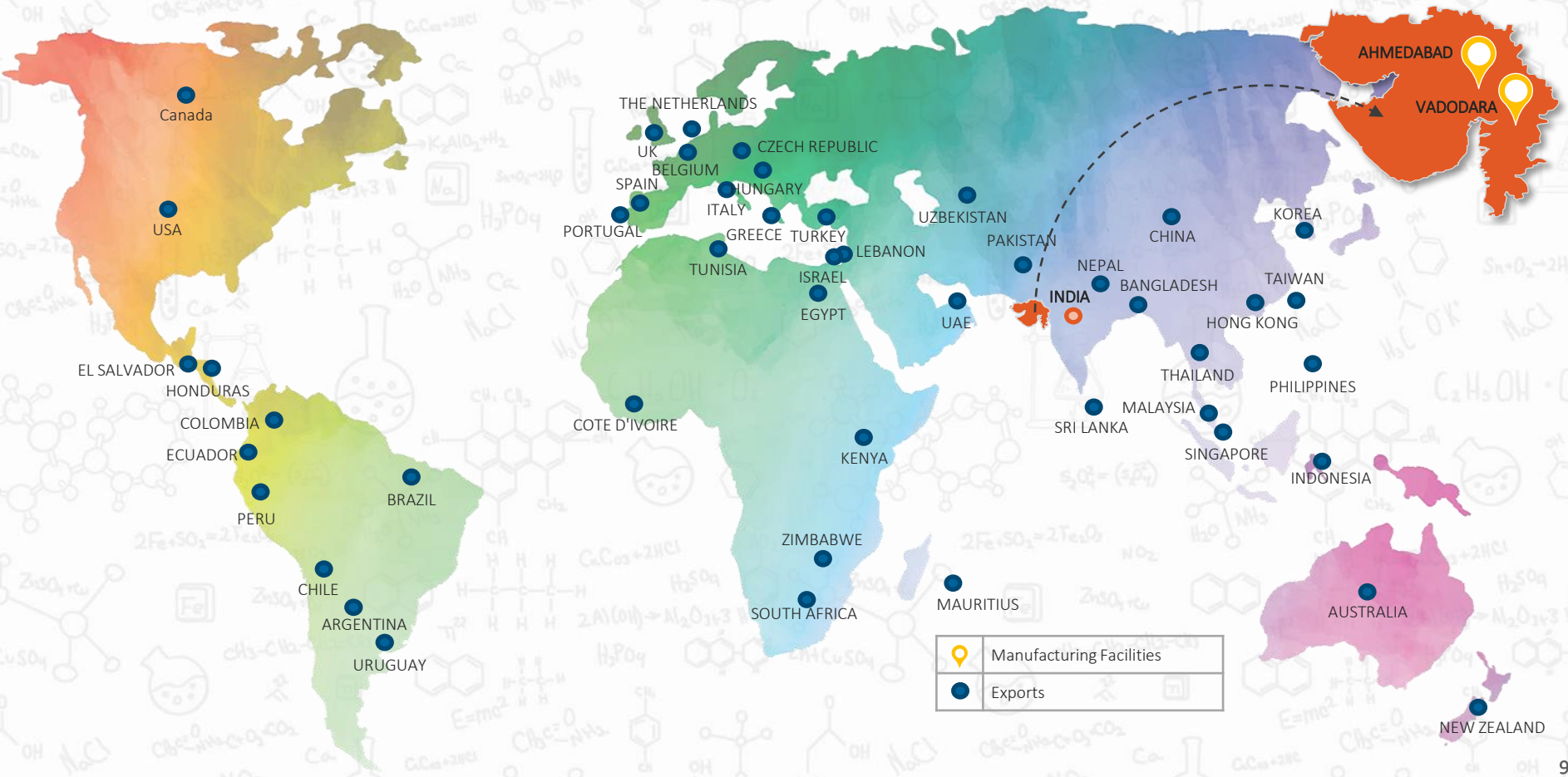
KIL is a technology-driven emerging global player as well as a premier budding specialty chemicals player



Manufacturing Process



Geographical Presence



Awards and Accolades



Award for Direct Export of Self Manufactured Dyes
2000-01

Platinum Award for Small Scale Sector
2002-03

Trishul Award for Small Scale Sector
2005

Chemexcil Gold Award
2006-07

First Award for Direct Export of Self Manufactured Dyes
2008-09

First Award for Direct Export of Self Manufactured Dyes
2009-10

Outstanding Entrepreneur Award
2011



Certificate for The Next Fortune 500 Companies
2017

Industrial Safety Award
2018

System Partner of Bluesign
2020

Apollo Institute of PHT
2022

AMC Aids control Society
2023

Best Effort for Water Conservation
2023

Key Strengths

- High entry barriers due to a stringent process of acquiring new permissions.
- Heavy capital expenditure.
- Strict implementation of environmental and pollution norms.

Entry Barrier

- Ability to integrate and offer value added products.
- One of the largest manufacturers of Reactive Dyes, Dye Intermediates, Specialty Intermediates and Basic Chemicals with support of backward integration.

Diversification

- The research and development department broadly comprises various processes for developing new products and standardizing new analytical methods.
- It focuses especially on technologies that improve products and processes.
- The team continuously interacts with consumers to obtain feedback on its existing as well as new products to complement its product development activities.

Research & Development

Competitive Position

- The Company established a track record of long-term relationship with key global names and the ability to pass on price increases.

- Their facility is versatile and has the flexibility to produce Reactive Dyes, acid / metal complex dyes and wool reactive dyes.
- By virtue of large scale facilities and fully integrated operations from manufacturing of basic chemicals, dye intermediaries and dyes, the Company derives benefits of economies of scales and high standards of quality control.

Manufacturing Facility

Experienced Board

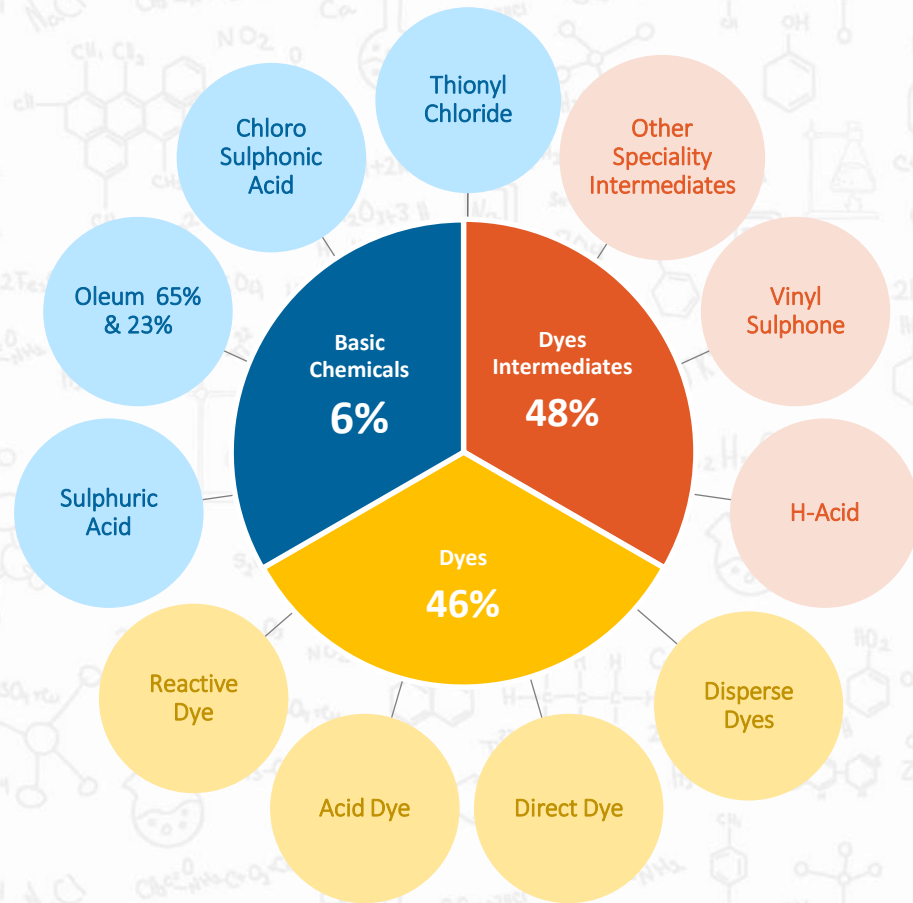
- The Company has dedicated and experienced promoters.
- The Board consists of a healthy mix of promoters and independent directors who ensure high levels of corporate governance.



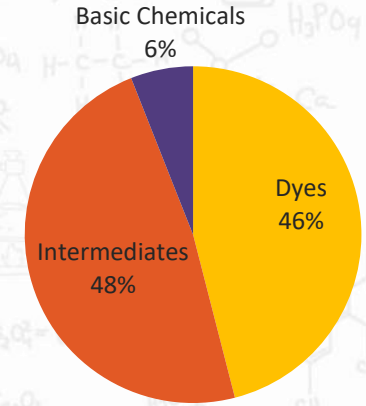


BUSINESS OVERVIEW

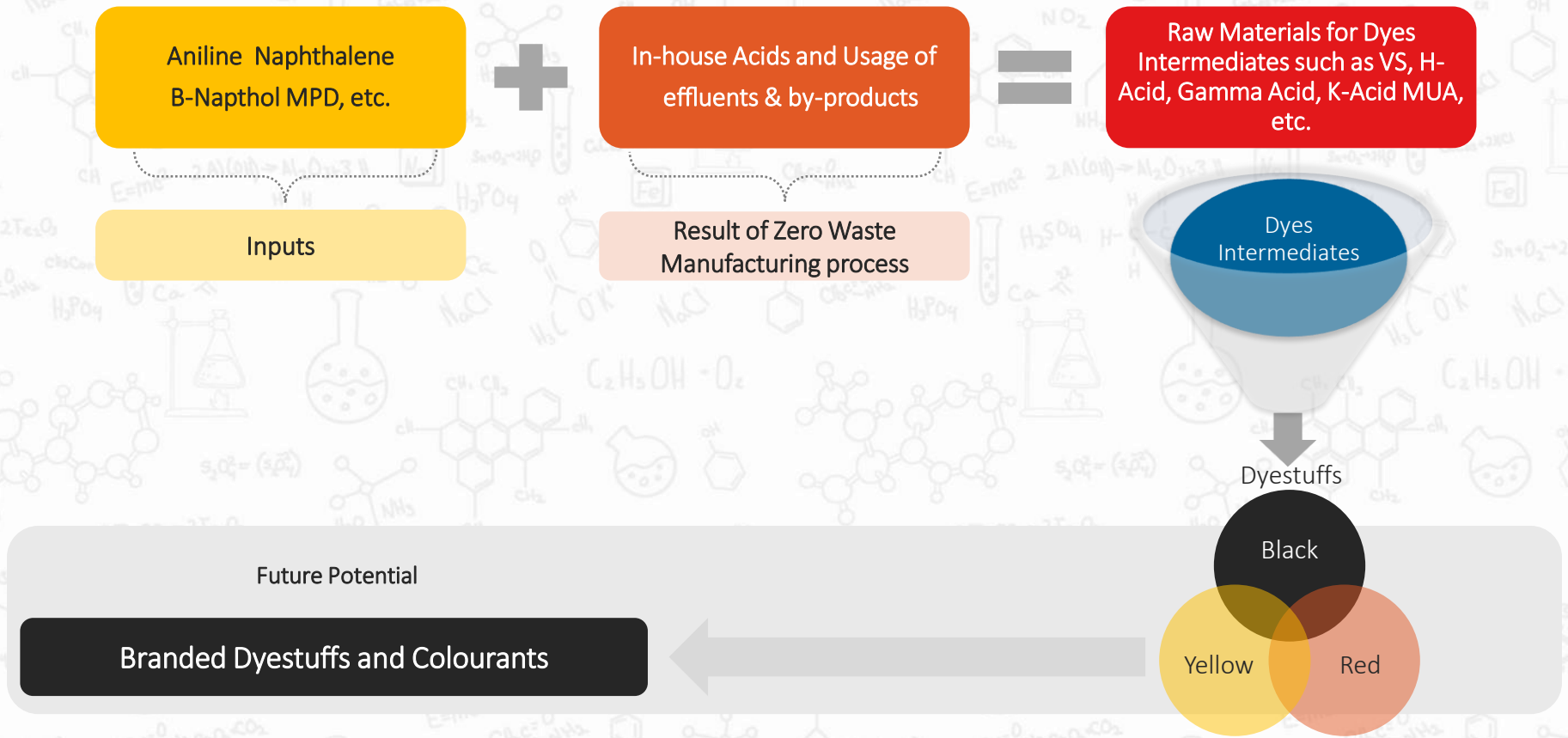
Business and Product Mix



Revenue Break-up FY23



Value Chain – Dye Stuff Manufacturing



Benefits of Zero Waste



- The Company's focus on becoming a Zero Waste company has ensured that Spent Acids are a source of revenue (converted into commercially viable products) and not a source of expense (frees the hassles of management and disposal of the by-products).
- In an industry where non-conformance leads to plant shutdowns, Zero Waste convinces buyers of the sustainability factor of operations, resulting in supply consistency.

Dyestuff – An Overview

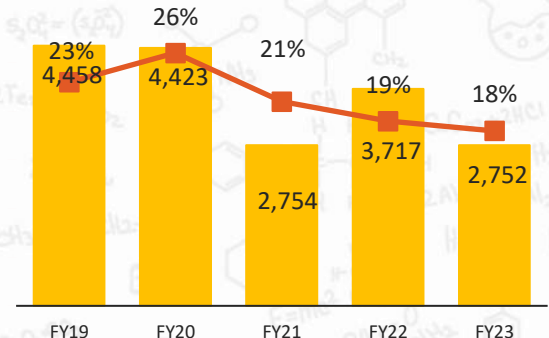
Dyestuff are organic and inorganic substances which can absorb light as well as reflect some light to show colour. The dyestuff is also a water soluble substance.

Criteria for a Suitable Dyestuff

- Economical / Competitive
 - Non-toxic
 - Compatible with other dyes and chemicals
 - High colour strength
 - Better brightness
 - Better fastness
 - Good levelness on the materials
- A dye is a coloured compound, normally used in soluble form, which is capable of being fixed to a fabric/ application substrates. The dye must be 'fast' or chemically stable so that the colour does not wash out with soap and water much or fade due to exposure to sunlight, etc.
- **Many types of dyes:** Reactive dyes, Acid dyes, Direct dyes, Azoic dyes, Disperse dyes, Vat dyes, Solvent dyes, Sulphur dyes, Cationic dyes, etc.
- Textile sector is a major consumer of Dyestuffs. Reactive Dyes, Vat Dyes and Azo Dyes are mainly required for dyeing and printing of various fibres. Disperse Dyes are mainly consumed for dyeing synthetic fibres. Acid Dyes are consumed in leather, silk, nylon and woollen products.
- KIL caters to mainly Reactive dyes, Acid dyes and Direct dyes. It has just entered into Disperse dyes.



Total Revenue (INR Mn) & Gross Margins (Standalone)



Dyestuff Manufacturing Process

Diazotization of Amine + HCl + Sodium Nitrite + Water + Ice

Dissolving of Coupling Component (Coupling Component + Water + Ice + Caustic Lye)

Coupling of Diazo with Coupling Components + NaHCO₃

Clarification

Standardization

Spray Drying

Blending and fine standardization

Packing

Coupling component is slurried in ice and water in the reactor and it is dissolved by adding Caustic Lye by constant stirring at suitable temperatures and PH required for efficient reactions.

Diazotized Amine is coupled with component to the diazo reaction vessel by stirring at suitable temperatures and PH required for efficient reactions.

The spray dried powder is then charged to the blender and standardized as per the requirement of customers/ market.

The liquid dye is spray dried.

Reactive Dyes

- Reactive Dyes are the most versatile and popular class of Organic Dyes for imparting colour on cellulosic fibres.
- These are water soluble dyes which react to fibre, forming a direct chemical linkage with the application materials, which is not easily broken and offers good wash fastness.
- **Colours available:** Red, Yellow, Black, Orange, Blue, Green, Violet, etc.
- **Types of Dyes:** Kirazol VS dyes, Kirazol KR/KX dyes, Kirazol S & W dyes, Kiractive ME dyes, Kiractive ED dyes, Kiractive HE dyes, Kiractive CN dyes, Kiractive P dyes, etc.
- **Features:** Brilliant shades, ease of application, overall good fastness properties, economical, etc.
- **Applications in Textile Industries:** The popularity of Reactive dyes with textile processors is due to its versatility in the application by various dyeing methods such as exhaust dyeing, semi-continuous and continuous dyeing as well as various printing methods by direct printing, resist printing, discharge printing and the newly- introduced inkjet printing.
- **Properties :**
 - Found in power, liquid and print paste form which are water soluble.
 - The dyes have very stable electron arrangement and can protect the degrading effect of ultra-violet rays.
 - Textile materials dyed with reactive dyes have very good wash fastness with a superior rating. Reactive dyes give brighter shades and have moderate rubbing fastness, etc.
 - It requires less time and low temperature for dyeing and are comparably economical.



Disperse Dyes

- Disperse dyes are synthetic organic dyes and is a kind of organic substance which is free of ionizing group. They are less soluble in water and are used for dyeing synthetic textile materials. Disperse dyes are mainly used for dyeing polyester yarn or fabric.
- For dyeing polyester fibres, in practical terms, only disperse dyes are suitable, which makes these kind of dyes the highest consuming product range globally.
- Through their hydrophobic properties, these dyes are capable of penetrating into similar hydrophobic polyester fibres.
- This class of dyes have extremely poor solubility in water; for this reason, dispersing agent is added to the dyebath to maintain dispersion stability, especially in the case of high temperature dyeing.



Fastness to wet treatment

In terms of providing satisfactory wash fastness on polyester, dye selection has become far more critical than it had ever been, because of the more demanding wash fastness tests employed currently as well as the widespread use of after treatments. Nearly all disperse dyes give very good to excellent results.

Fastness to dry heat

Sublimation or dry heat, fastness is an important property of disperse-dyed polyester because of the use of heat treatments in the finishing of the fabric; disperse dyes must be small, non-ionic molecules of low molecular weight.

Advantages

Fastness to light

Dispersed dyes do not fade away when left exposed to sunlight for prolonged periods.

Hydrophobic fibres

Disperse dyes can be applied to a whole range of chemically diverse, hydrophobic manmade fibres, which include acetate, acrylic, modacrylic, nylon, polyester and polyurethane fibres.

Other Dyes

ACID DYES



- Acid dyes are the dyes which can be applied directly to the application materials from an aqueous solution (without mordant).
- The Company has been working on developing Acid dyes since a decade. It has been manufacturing this range of dyes for a long time.
- **Colours Available:** Red, Yellow, Orange, Blue, Green, Violet, Black, Brown, etc.
- **Types of Dyes:** Acid Black 210, Acid Black 194, Acid Blue 193, Acid Green 104, Acid Violet 90, Acid Red 357, Acid Red 362 and Acid Orange 142.
- **Application on:** Nylon, Silk, Wool, Leather, Blended Fibre, etc.
- **Advantages:** 1) Easy in application 2) Complete colour range with very good bright shades 3) Pre-metalized dyes have very good light fastness even in pale shades 4) Properties of acid dyed silk is better than reactive dyed silk.

DIRECT DYES

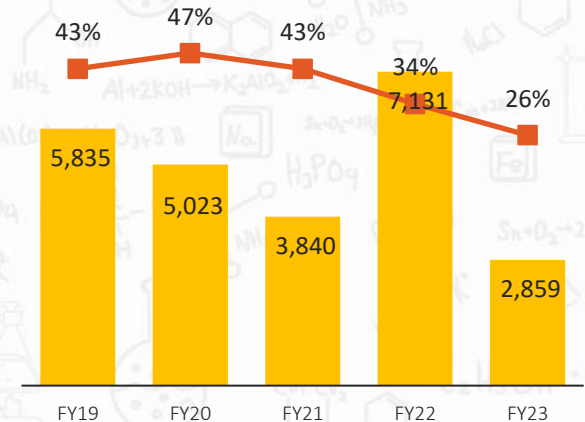
- Direct dye, also known as Substantive Dye, is a class of coloured, water-soluble compound that has an affinity for fibre and is taken up directly, mostly it is sodium salt of aromatic compounds.
- Direct dyes are usually economical, very easy to apply and with an easy application which can yield bright colours.
- **Advantages of Direct dyes:**
 - Direct dyes are easy to apply after proper training and they can be used in almost any dye house equipment by exhaust or continuous. Direct dyes offer a predictable shade build-up and good repeatability from lot to lot.
 - Direct dyes are less affected by variations in liquor ratio than reactive dyes.



Dyes Intermediates

- Dyes intermediates are the main raw materials used for manufacturing dyestuffs.
- The manufacturing chains of dyes and dyes intermediates can be traced back to petroleum-based products.
- Naphtha and natural gases are used for the production of Benzene and Toluene, which are subsequently used for manufacturing nitro-aromatics.
- Hence, the third forward stage of production, i.e., from nitro aromatics to a dyes intermediates is part of the dyes and dyes intermediates sector. Examples of major dyes intermediates are Vinyl Sulfone, Gamma Acid, H Acid, CPC, J Acid, α -Naphthyl Amine, etc.
- In order to ensure an uninterrupted supply line of key raw materials and stability of pricing for its customers, KIL has established a fully integrated manufacturing base at its production facilities.
- Approximately 60% of intermediates required for dye manufacturing are manufactured at the Company's manufacturing facilities.
- **The commissioning of dyes intermediates facility has empowered KIL to:**
 - Manage cost of raw materials.
 - Monitor the quality of key raw materials thus ensuring desired quality control of the finished product.
 - Manage fluctuations in prices of raw materials.
 - Manage efficient production schedules.
 - Meeting customers' expectations.

Total Revenue (INR Mn) & Gross Margins (Standalone)

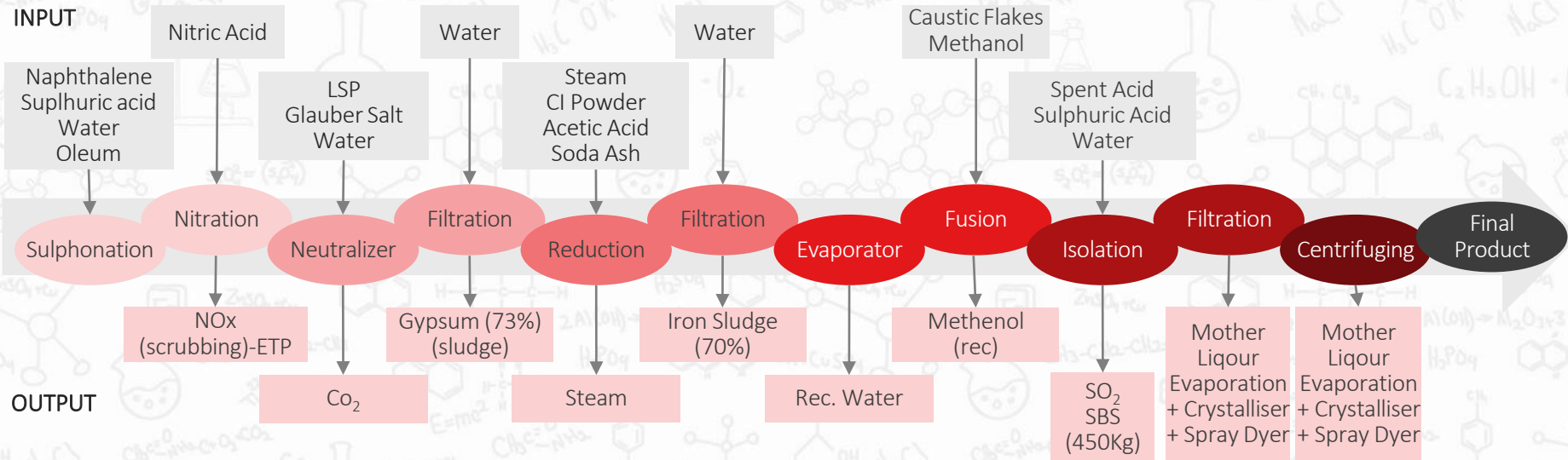


Dyes Intermediates – H-Acid

H-ACID

- **H-acid** is one of the leading dyes intermediates in the world, used in the manufacture of black dyes.
- H-acid (8-amino- 1-hydroxynaphthalene-3,6-disulfonic acid), an important dye intermediate, is produced from Naphthalene by a combination of the unit processes of sulphonation, nitration, reduction, hydrolysis and other processes. H-Acid is used in the manufacture of a large number of azo dyes and pigments.
- The Company has a capacity of 7,200 MTPA and the capacity utilization for FY23 is 20%.

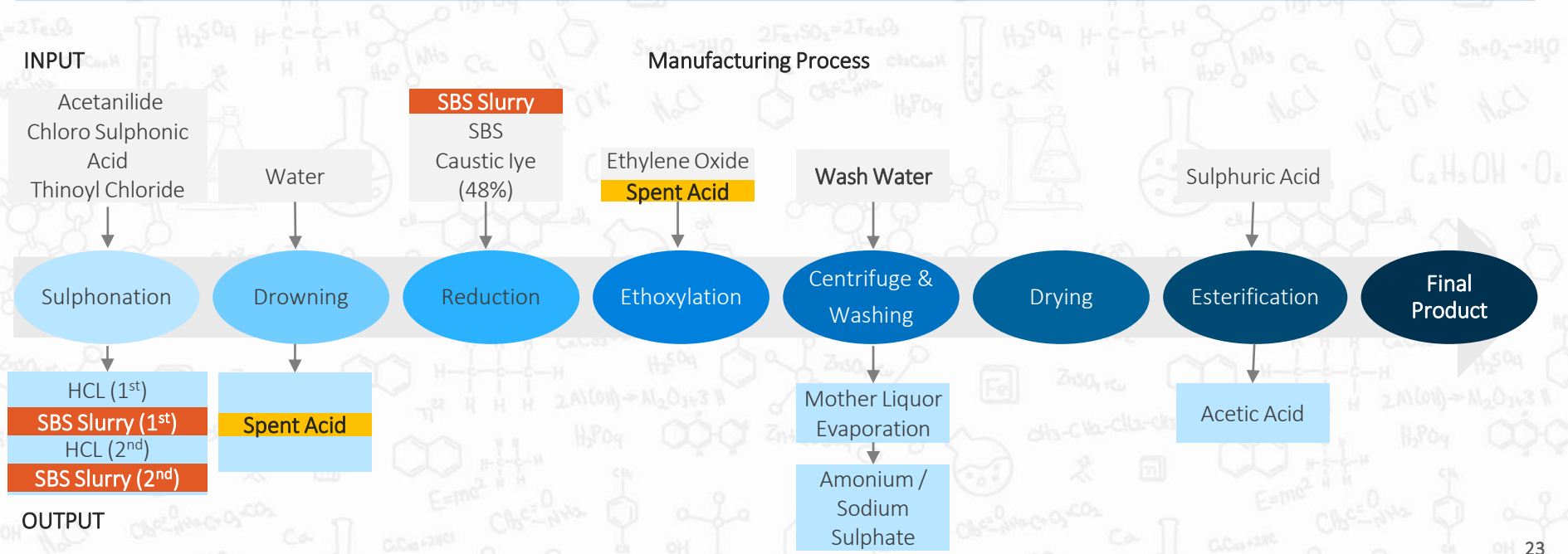
Manufacturing Process



Dyes Intermediates – Vinyl Sulphone

VINYL SULPHONE

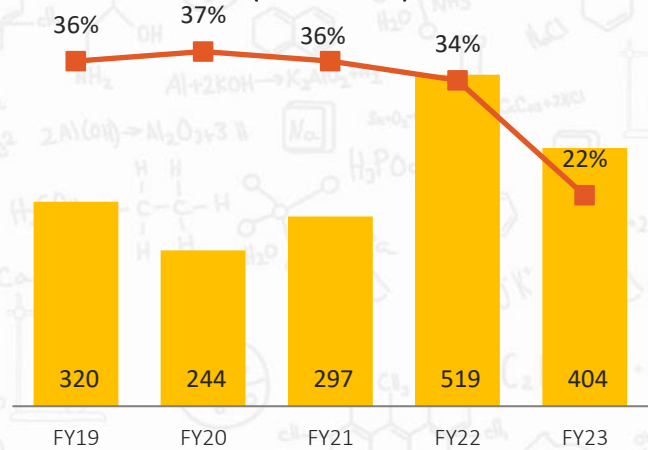
- **Vinyl Sulphone** is an industrial chemical used as a key raw material for manufacturing reactive dyes, having application mainly in textiles. It is manufactured from aniline.
- It has applications in the manufacturing of Reactive dyes.
- The Company has a capacity of 18,000 MTPA and the capacity utilization for FY23 is 42%.



Basic Chemicals

- As part of strategic backward integration, the Company has set up a Basic Chemical facility to manufacture:
 - Sulphuric Acid
 - Chloro Sulphonic Acid
 - Oleum
 - Thionyl Chloride
- All these products are made in one integrated plant and use Sulphur as the basic raw material.
- KIL produces basic chemicals for its own consumption and also for sale in the domestic market.
- Along with the facility, KIL has put in a 3.5 MW captive power plant which can run from the steam generated by the facility itself.
- The electricity generated will be sufficient, not only to run the basic chemical plant, but also to contribute the power requirement of the dyes intermediates plant.
- Application Industries:** Chemicals, Pharmaceuticals, Fertilizers, Automobile batteries, Paper bleaching, Sugar bleaching, Water treatment, Sulfonation agents, Cellulose fibers, Steel manufacturing, Coloring agents, Regeneration of ion exchange resins, etc.

Total Revenue (INR Mn) & Gross Margins (Standalone)



Future Outlook

- To increase volume of business and earn better margin through optimization of product mix, reducing the fixed costs, and reaching out untapped global markets.
- Effectively manage input costs of raw materials and competitively mitigate the risk of fluctuations in prices of raw materials and focus to be “Atmanirbhar” for key raw materials.
- Continue to strengthen the monitoring of quality control throughout its product value chain to ensure achieving the best quality parameters of the products
- Exceed customers’ expectations and improve customizations of the offerings to the valued customers.



- Continue to improve product margins to achieve profit incremental growth
- Achieve 25% to 30% growth in revenue as well as in profits, hence contribute positively for strengthening core business values in FY2024.
- Prioritise enforcement of Judgment through and Exit investment from DyStar through Court Process.
- Set up manufacturing facilities of Specialty & Commodity chemicals/petrochemicals and to be “Atmanirbhar” for Key Raw Materials and under “Make In India initiative.
- Focus on setting up manufacturing facility to diversify business after exit from DyStar.



DYSTAR

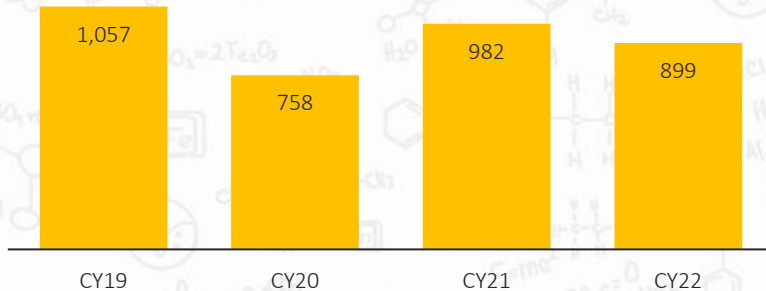
About DyStar



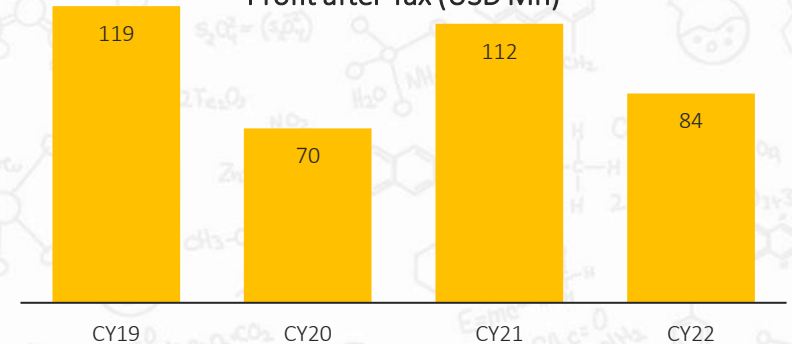
**KIL acquired DyStar
in 2010, along with
Zhenjiang Longsheng
holding 37.57%
presently**

- 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)



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



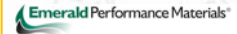
2012

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:
 econfidence
 program

ACQUISITION:
 Yorkshire
 Americas,
 Rotta Group
 and Boehme
 Group

2004-06

ACQUISITION
 BY KIL

2010

ACQUISITION:
 Lenmar
 Chemicals
 (Business and
 Assets)

2013

Value Creation in DyStar

SUCCESSFULLY TURNING AROUND THE OPERATIONS OF DYSTAR

The turn-around plan was successfully executed by replacing high cost German manufacturing base with low cost manufacturing in India, China and Indonesia, etc. KIL is entitled to profit shares of INR 826 Mn, INR 1,976 Mn, INR 1,700 Mn, INR 1,561 Mn, INR 2,313 Mn, INR 65 Mn, INR 2,598 Mn, INR 2,307 Mn, INR 3,359 Mn and INR 2,116 Mn over the 10 fiscals from FY14 to FY23.

UPDATES ON COURT CASE IN SINGAPORE

- Kiri has been very successful, and has won against Senda International Capital Limited (Senda), the wholly owned Subsidiary of Longsheng Group, China, wherein, on March 3, 2023 Singapore International Commercial Court (SICC) crystalized and decided the final valuation of Kiri's stake in DyStar at USD 603.80 mn, which is increased by USD 122.20 mn, 25% higher than the earlier determined valuation of USD 481.60 mn, giving an effect of the decision of the court of appeal, Supreme Court of Singapore.
- Kiri is taking all necessary steps for execution of the buy-out of its 37.57% stake by Senda which has been crystalized after a long drawn legal battle with Senda at SICC and Supreme Court of Singapore.
- Senda has failed to make payment of cost amount awarded to the Company and failed to comply within deadlines given till 20 January 2023. The Company has filed Writ of Seizure and Sale of Senda's shares held in DyStar to the extent of recovery of cost awarded by SICC and Singapore Supreme Court on 20 January, 2023. The Sheriff office took possession of shares of Senda held in DyStar to the extent to legal cost payable to Kiri and will start process for sale of the said shares.



INDUSTRY OVERVIEW

The Colourant Industry

- Global colorants market is forecasted to reach USD 89.54 Billion with a CAGR of around 5.76% during 2023 – 2030. The market is driven by the rising inclination of consumers towards innovative and appealing shades of packaged products and items. Moreover, the increasing need for dyestuff in numerous end-use segments such as the plastics industry, food industry, among others, is positively impacting the market growth. Also, growing awareness pertaining to the advantages of natural colorants in terms of providing health benefits coupled with favorable government policies is further expected to augment market growth over the next few years. Factors that lead to growth are
 - (1) Strong growth in key end-user industries.
 - (2) Tightening of environment norms and increasing operating cost in China.
 - (3) Rising demand for finished products from India.
 - (4) Shift from generic/ commodity to high value specialty/ eco-friendly colourants.
 - (5) A switch from small and unorganised players to large integrated players.
- The Colourant industry in India is highly fragmented, with ~900 manufacturers, and the top five players accounting for less than 30% of the industry's production.
 - 15-20 are large and medium-sized organised units and the rest are small and unorganised.
 - Large players dominate the value-added segment, middle level players serve as suppliers to MNCs and smaller players who largely cater to the domestic market.
- ~80% of colourant manufacturing units are located in Gujarat and Maharashtra, due to the dominance of the textile industry, availability of raw materials in these regions and proximity to ports.





Dyestuff Industry:

The dyes and dyestuff industries play a major role in the growth of the chemical industry. Dyes intermediates are products that are transformed to finished dyes and pigments. The dye intermediates serve various industries like plastics, paint, textiles, printing inks and paper. The overall capacity of dyestuff is 2,00,000 tonnes per annum and the Indian dyestuff industry meets about 95% of the domestic requirements. India leads in Dyes production and contributes to 16%-18% to world's dyestuff exports. Indian Dye is exported to over 90+ countries. In FY22, India's dye exports totaled \$ 3.24 billion, up 30% YoY.

Out of which about 80% is consumed by the textile industry and the remaining by other industries. The dyes can be classified based on the dyeing process, on chromophore, based on application and on colour index. The global market for dyes has been witnessing a significant growth due to the expansion of various industries. India and Indonesia are gradually taking the lead in manufacturing dyes due to the availability of the raw materials and organic intermediate chemicals. Developing economies like India, Brazil and Indonesia are expected to play a significant role in the growth and development of the industry. The global textile dye market is expected to reach about \$16.08 billion by 2030 with a CAGR of 4.7%.

Factors leading to growth are:

- 1) Strong growth in the key end-user industries (textile, leather, paper, etc.).
- 2) Tightening of environment norms in China.
- 3) An increase in the demand for finished products from India.
- 4) Forward integration by Indian DI manufacturers into DS to tap the large export opportunity.

India's Competitive Advantage

China Factors:

In China, apart from the ETP hurdle, there is:

1. Reduction in the refund of VAT from 17% to about 13% on DI
2. Cancellation in power subsidy
3. Non refund of VAT on DS export out of China causing imposition of export duty on dyestuffs
4. Increasing labor cost

China Factors

Advantage India

2014-present

(Industry is shifting to other Asian countries; India is well placed to grab the opportunity)

2014-present

Industry is shifting to other Asian countries

Intervention of the Chinese government (due to environmental issues)

Intervention of the Chinese government (due to environmental issues):

- ETPs for adequate environment compliances became compulsory in China, which increased capital + operating costs.
- Chinese unit margins and ROIs are declining due to increasing costs.
- India gains market share.

ETP hurdle and other issues in China

Chinese manufacturers to import DI

- A similar trend is expected in China and Chinese DS manufacturers are expected to start importing DI from India.



STRATEGIC OVERVIEW

The Way Forward

Prioritise enforcement of Judgment through and Exit investment from DyStar through Court Process

Set up manufacturing facilities of Specialty & Commodity chemicals/ petrochemicals and to be "Atmanirbhar" for Key Raw Materials and under "Make In India initiative

Focus on setting up manufacturing facility to diversify business after exit from DyStar

Inorganic and organic growth through merger and acquisition

Focus on establishing joint ventures with leading MNCs for setting up manufacturing facilities in or outside India

Focus on strengthening product mix to improve margins

Focus on Free Cash Flow Generation and high sustainable RoE and RoCE

FINANCIAL OVERVIEW

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23
Revenue from Operations	9,690	6,892	11,368	6,015
Total Expenses	8,729	6,901	11,054	7,106
EBITDA	961	(9)	314	(1,091)
<i>EBITDA Margins (%)</i>	9.92%	NA	2.76%	NA
Other Income	41	20	18	234
Depreciation	366	390	436	441
Finance Cost	45	38	46	61
PBT	591	(417)	(150)	(1,359)
Tax	89	(52)*	(57)*	(17)*
Profit After Tax	502	(365)	(93)	(1,342)
<i>PAT Margins (%)</i>	5.18%	NA	NA	NA
Other Comprehensive Income	(4)	(2)	(3)	5
Total Comprehensive Income	498	(367)	(96)	(1,337)
Diluted EPS (INR per share)	9.61	(7.08)	(1.85)	(25.80)

* Deferred Tax

Standalone Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23	PARTICULARS (INR Mn)	FY21	FY22	FY23
Equity	6,346	6,250	4,913	Non Current Assets	8,098	8,117	7,726
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,189	5,062	4,736
Other Equity	6,010	5,732	4,395	b) Other Intangible assets	-	1	0
Non Current Liabilities	1,113	337	502	c) Capital Work In Progress	579	590	674
a) Financial Liabilities				d) Investment in Subsidiary/Associate	1,403	1,403	1,403
(i) Borrowings	952	267	412	e) Financial Assets			
(ii) Trade Payable	5	17	27	(i) Investments	1	-	-
(iii) Other Financial Liabilities	12	13	11	(ii) Trade Receivable	12	8	14
b) Provisions	144	40	52	(iii) Other financial assets	119	121	129
c) Deferred Tax Liabilities (Net)	-	-	-	f) Other Non - Current Assets	698	779	600
d) Other Non Current Liabilities	-	-	-	g) Deferred Tax Assets (Net)	97	153	170
Current Liabilities	3,471	3,979	4,249	Current Assets	2,832	2,449	1,938
a) Financial Liabilities				a) Inventories	1,070	1,158	989
(i) Borrowings	534	692	40	b) Financial Assets			
(ii) Trade Payables	2,072	2,606	3,517	(i) Trade Receivables	1,446	1,034	614
(iii) Other Financial Liabilities	422	255	260	(ii) Cash and Cash Equivalents	40	42	5
b) Other Current liabilities	421	401	411	(iii) Bank balances other than above	17	18	17
c) Provisions	22	25	21	(iv) Loans	94	29	36
d) Current Tax Liabilities (Net)	-	-	-	(v) Other financial assets	43	21	10
GRAND TOTAL - EQUITIES & LIABILITES	10,930	10,566	9,664	c) Current Tax Assets (Net)	5	16	40
				d) Other Current Assets	117	131	227
				GRAND TOTAL – ASSETS	10,930	10,566	9,664

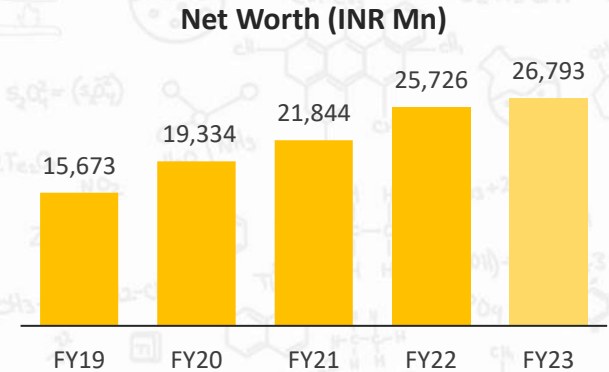
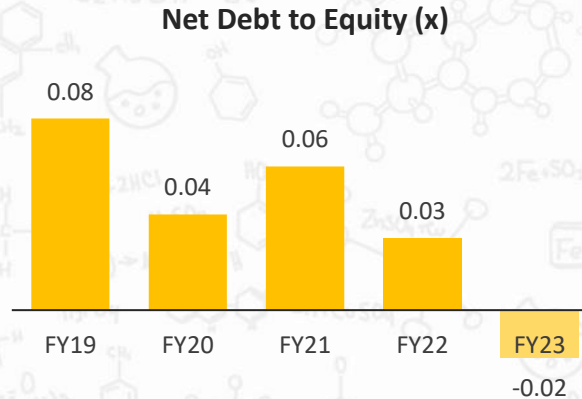
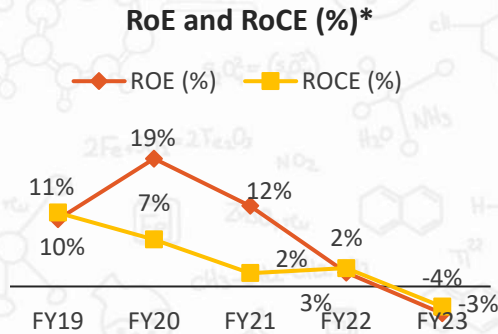
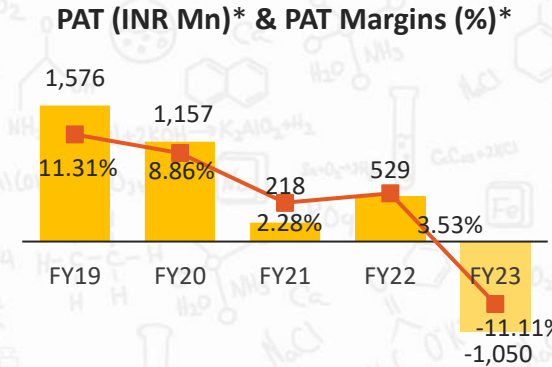
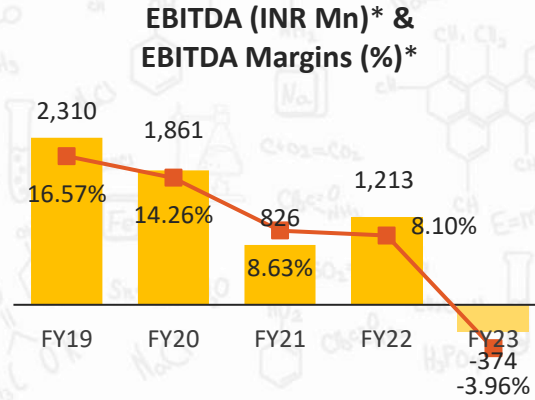
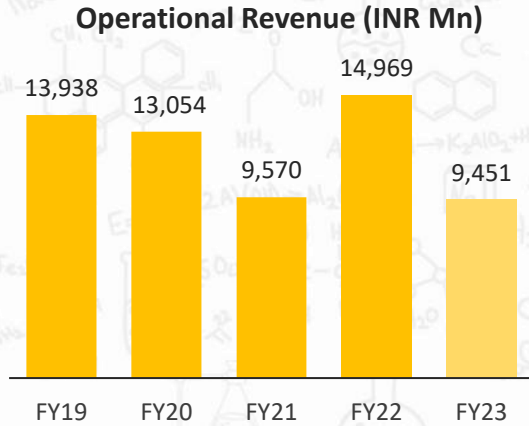
Historical Consolidated Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23
Revenue from Operations	13,054	9,570	14,969	9,451
Total Expenses	11,193	8,744	13,756	9,825
EBITDA	1,861	826	1,213	(374)
<i>EBITDA Margins (%)</i>	14.26%	8.63%	8.10%	NA
Other Income	53	22	20	33
Depreciation	444	461	502	489
Finance Cost	49	40	48	63
PBT	1,421	347	683	(893)
Tax	264	129	154	157
Profit After Tax	1,157	218	529	(1,050)
<i>PAT Margins (%)</i>	8.86%	2.28%	3.53%	NA
Income from Associate	2,598	2,307	3,359	2,116
Other Comprehensive Income	(5)	(1)	(3)	5
Total Comprehensive Income	3,750	2,524	3,885	1,071
Diluted EPS (INR per share)	72.34	48.69	74.94	20.67

Consolidated Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23	PARTICULARS (INR Mn)	FY21	FY22	FY23
Equity	21,844	25,726	26,793	Non Current Assets	21,580	24,949	26,681
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,591	5,430	5,081
Other Equity	21,508	25,208	26,275	b) Other Intangible assets	42	28	14
				c) Capital Work In Progress	584	629	725
Non Current Liabilities	1,125	351	505	d) Investment in Subsidiary/Associate	14,447	17,806	19,921
a) Financial Liabilities				e) Financial Assets			
(i) Borrowings	952	267	412	(i) Investments	1	0	0
(ii) Trade Payable	5	17	27	(ii) Trade Receivable	12	8	14
(iii) Other Financial Liabilities	12	13	11	(iii) Other financial assets	131	134	162
b) Provisions	156	54	55	f) Other Non – Current Assets	700	781	614
c) Deferred Tax Liabilities (Net)	-	-	-	g) Deferred Tax Assets (Net)	72	133	150
d) Other Non Current Liabilities	-	-	-	Current Assets	5,420	5,793	5,330
				a) Inventories	1,690	2,451	1,948
Current Liabilities	4,031	4,665	4,713	b) Financial Assets			
a) Financial Liabilities				(i) Trade Receivables	3,293	2,887	2,059
(i) Borrowings	534	692	40	(ii) Cash and Cash Equivalents	74	132	275
(ii) Trade Payables	2,563	3,248	3,943	(iii) Bank balances other than above	30	54	710
(iii) Other Financial Liabilities	432	263	268	(iv) Loans	92	30	21
b) Other Current liabilities	478	425	439	(v) Other financial assets	44	21	20
c) Provisions	22	26	22	c) Current Tax Assets (Net)	5	15	40
d) Current Tax Liabilities (Net)	2	11	1	d) Other Current Assets	192	203	257
GRAND TOTAL - EQUITIES & LIABILITES	27,000	30,742	32,011	GRAND TOTAL – ASSETS	27,000	30,742	32,011

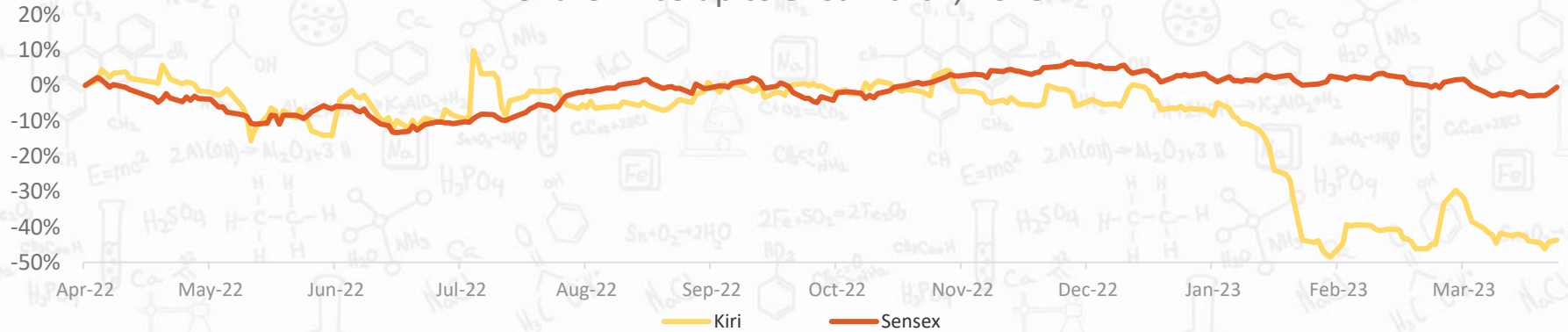
Consolidated Financial Highlights



*Before share of profit of associate and OCI

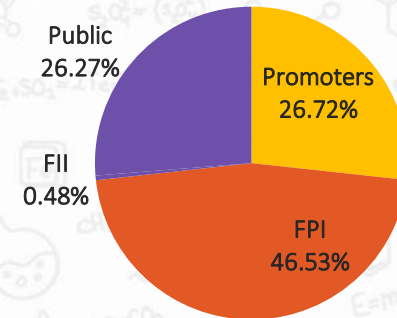
Capital Market Data

Share Price up to 31st March, 2023



Price Data (As on 31 st March, 2023)	INR
Face Value	10.0
Market Price	283.7
52 Week H/L	566/255
Market Cap (Mn)	14,702.8
Equity Shares Outstanding (Mn)	51.8
1 Year Avg Trading Volume ('000)	205.2

Shareholding Pattern (As on 31st March, 2023)



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THANK YOU