

April 4, 2016

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Dear Sir

Sub: Corporate announcement.
Ref: Scrip ID – KIRIINDUS

With regard to above, we are pleased to announce of update on Market of the products and reduction of debts of the Company. The details corporate announcement is enclosed herewith.

Thanking you

Yours faithfully

For Kiri Industries Limited


Manish Kiri
Managing Director



DYES

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CHEMICALS

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Kiri announces update on market and settlement/reduction of its debts.

Market:

There has been a sudden dramatic change in the market situation of Dyes Intermediate especially H. Acid and Vinyl Sulphone due to closure of a leading manufacturing plant in China. The average price of H. Acid during the previous financial year which has been ranging from Rs. 300 to Rs. 360 per Kg, has now shot up to about of Rs. 900 to Rs. 1000 per Kg and average price of Vinyl Sulphone during the previous financial year which stood at Rs. 160 to Rs. 180 per Kg, has now shot up to about Rs. 240 to Rs. 275 per Kg globally. Kiri has installed capacity to manufacture 7200 MTPA of H. Acid and 18000 MTPA of Vinyl Sulphone.

Settlement /reduction of debts:

Kiri Industries Limited has executed agreements for settlement of all its debt by the end of financial year March 31, 2016. This has resulted in significant reduction of the borrowing of the company by the end of the financial year 2015-16, and the total borrowings of the company have been reduced from Rs. 853.13 crores to Rs. 410.62 crores, which is about 51.87% reduction compared to the previous financial year. The initial installments under the agreements are also paid before the end of the financial year 2015-16.

Further, as per Settlement Agreements executed, the Company is committed to settle and repay majority of the balance debt during the current Financial Year 2016-17.

Hence, the company has now achieved a major landmark for its shareholders by fully addressing its debt burden, which had been weighing down the Company's performance over the past several years. On one hand the realization of its products have significantly improved, on the other hand there would be huge savings in the finance charges from the current financial year i.e. 2016-17.

The debt has been addressed majorly with the asset reconstruction companies, private lenders, as well as NCD holders.

This significant milestone marks the culmination of tireless efforts by Kiri Management to turn the company around, by streamlining operations, product portfolio, cost cutting, turnaround of DyStar, restructuring and reduction of FCCB, and now, settlement of all its debt.

With all these moves, Kiri has now been set on a sustainable path of growth, and Kiri Management thanks all its shareholders who have stood patiently behind the Company throughout its troubled period.

DYES

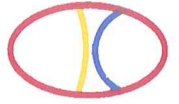
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Kiri Management further commits to build upon its strong business and financial performance and, create huge value for its shareholders, and transforming Kiri into a global major specialty chemicals corporation through adding innovative product lines.

For Kiri Industries Limited

Manish Kiri
Managing Director



Date: April 4, 2016
Place: Ahmedabad