

February 13, 2025

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: Monitoring Agency Report for the quarter ended on December 31, 2024

Ref: Funds raised by issuance of Warrants Convertible into Equity Shares on a Preferential Basis

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Monitoring Agency Report issued by CRISIL Ratings Limited in respect of the utilisation of proceeds of Preferential Issue for the quarter ended on December 31, 2024, duly reviewed by the Audit Committee of the Company is enclosed herewith.

You are kindly requested to take note of the same.

Thanking You,

Yours faithfully,

For Kiri Industries Limited

Suresh Gondalia
Company Secretary
M No. : F7306
Encl: As stated

DYES

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INTERMEDIATES

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CHEMICALS

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Monitoring Agency Report
for
Kiri Industries Limited
for the quarter ended
December 31, 2024

CRL/MAR/KDACPL/2024-25/1319

February 13, 2025

To

Kiri Industries Limited

Hasubhai Chambers, 7th Floor, Opp. Town Hall
Ellis Bridge, Ahmedabad, Gujarat - 380006

Dear Sir,

**Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the Preferential issue ("PI")
of Kiri Industries Limited ("the Company")**

Pursuant to Regulation 164A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("*ICDR Regulations*") and Monitoring Agency Agreement dated September 02, 2024, entered with the Company, we enclose herewith the Monitoring Agency Report, issued by Crisil Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of PI proceeds for the quarter ended December 31, 2024.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of Crisil Ratings Limited



Sushant Sarode

Director, Ratings (LCG)

Report of the Monitoring Agency (MA)**Name of the issuer:** Kiri Industries Limited**For quarter ended:** December 31, 2024**Name of the Monitoring Agency:** Crisil Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: **Name and designation of the Authorized Signatory:** Sushant Sarode**Designation of Authorized person/Signing Authority:** Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer: Kiri Industries Limited
Names of the promoter: Mr. Manish Kiri
Industry/sector to which it belongs: Dyes and Pigments

2) Issue Details

Issue Period: Friday, September 27, 2024, to Tuesday, October 15, 2024
Type of issue (public/rights): Preferential issue (PI)
Type of specified securities: Convertible Warrants
IPO Grading, if any: NA
Issue size: 492.02 Crores*

*Crisil Ratings shall be monitoring the issue proceeds raised through issue of fully convertible share warrants.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Independent Chartered Accountant Certificate^, Final Offer Document, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA		No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Management undertaking, Independent Chartered Accountant Certificate^	No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management undertaking, Independent Chartered Accountant Certificate [^]	No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No	Item Head	Source of information / certifications considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comments of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Debt Repayment	Independent Chartered Accountant Certificate [^] , Management undertaking, Notice to Shareholders, Bank Statements	125.00	NA	No Revision	No Comments		
2	Working Capital Requirements		150.02	NA	No Revision	No Comments		
3	Legal/ Professional Fees		50.00	NA	No Revision	No Comments		
4	Financial Assistance to group/subsidiary companies		117.00	NA	No Revision	No Comments		
5	General Corporate Purpose (GCP) [#]		50.00	NA	No Revision	No Comments		

^Certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

#The amount utilised for general corporate purposes does not exceed 25% (Rs 123.01 crore) of the issue Proceeds from the Preferential issue.

ii. Progress in the object(s):

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Debt Repayment	Independent Chartered Accountant Certificate ^, Management undertaking, Bank Statements	125.00	-	121.95	121.95	3.05	Proceeds were utilized to repay the debt and interest on secured and unsecured loans	No Comments	
2	Working Capital Requirements		150.02	-	146.72 (Refer Note 1)	146.72	3.30	Proceeds were utilized to purchase the raw material and pay for the services availed from various vendors	No Comments	
3	Legal/ Professional Fees		50.00	-	27.95 (Refer Note 1)	27.95	22.05	Proceeds were utilized for payment of of legal/professional fees towards Singapore case of the Company	No Comments	

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
4	Financial Assistance to group/subsidiary companies	Independent Chartered Accountant Certificate ^, Management undertaking, Bank Statements	117.00	-	-	-	117.00	No proceeds were utilized towards this object during the reported quarter	No Comments	
5	GCP		50.00	-	16.29 (Refer Note 1)	16.29	33.71	Proceeds were utilized towards the routine and maintenance capital expenditure	No Comments	
	Total		492.02	-	312.91	312.91	179.11	Refer Note 2		

Note 1 – During the quarter under review, for operational ease, out of the total proceeds amount of Rs 319.36 crore Rs. 189.02 crores have been transferred from the Preferential issue account to the various current accounts of the Company for further utilization of proceeds towards the objects of the offer instead of utilization from the account maintained for Preferential issue proceeds. The funds transferred to these current accounts have been fully utilized as at the end of the reported quarter.

Note 2 - During the reported quarter, the Company received proceeds of Rs 319.36 crore from the issue upon allotment and conversion of fully convertible warrants. Out of the received proceeds, Rs 312.91 crore has been utilized towards the objects of the issue and balance of Rs 6.45 crore is lying in Preferential issue account. Further, the balance of Rs 172.66 crore out of Rs 492.02 crore is expected to be received by the Company. It shall be payable by the warrant holders at the time of exercising the conversion of warrant into equity shares on or before the expiry of 18 (eighteen) months from the date of allotment of the fully convertible Warrants i.e.15 October, 2024.

^Certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

iii. Deployment of unutilised PI proceeds^:

Sr. No.	Type of investment and name of the entity invested in	Amount invested (Rs in crore)	Maturity Date	Return on Investment (%)	Earnings (Rs in crore)	Market Value as at the end of quarter (Rs in crore)*
1	Preferential Issue account balance maintained with HDFC Bank	6.45	-	-	-	6.45
	Total	6.45	-	-	-	6.45

^On the basis of management undertaking and certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

iv. Delay in implementation of the object(s)^ -

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of Action
Not Applicable					

^On the basis of management undertaking and certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document ^:

S. No.	Item heads	Amount (Rs in crore)	Comments of Monitoring Agency
1	Capital Expenditure	16.29	The Company has utilized proceeds towards the Routine and Maintenance Capital Expenditure.

^On the basis of management undertaking and certificate dated February 10, 2025, issued by M/s VKJD & Associates, Chartered Accountants (Firm Registration Number: 128985W), Peer Reviewed Chartered Accountants

Disclaimers:

- a) *This Report is prepared by Crisil Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor or from peer reviewed CA firms appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
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