

PRESS RELEASE**UPDATES ON GRANT OF MEGA PROJECT STATUS BY THE GOVERNMENT OF MAHARSHTRA UNDER THE PACKAGE SCHEME OF INCENTIVES, 2013.**

Pursuant to grant of Mega Status Project by the Government of Maharashtra vide their letter dated 17th October 2015 under the Package Scheme of Incentives, 2013; the Company has signed an MOU with the Maharashtra State Government. While executing MOU the proposed overall investment by the Company under the Mega Project has been revised upwards to Rs. 1100 Crores as against the minimum investment of Rs. 750 Crores indicated in Press Release dated 31st October 2015. The proposed investment is to be completed within 5 years.

Please note that if the Company fails to make investment of Rs. 1000 Crores (One Thousand) Crores, the incentive period as indicated in the Package Scheme of Incentives , 2013 will be curtailed considering the extent of actual investment made by the Company. The Industrial Promotion Subsidy as a Mega Project will however be admissible only after the Company invests a minimum of Rs. 750 Crores in eligible fixed assets at the site , within a period of 5 years from the date of application to the Directorate of Industries , Mumbai after completion of all effective steps as detailed in the Package Scheme of Incentives ,2013, failing which the project will not be treated as a Mega Project but as a normal unit under the Package Scheme of Incentives 2013, if otherwise eligible under the Scheme.

As informed earlier, the investment proposed under the Mega Project is only indicative in nature and does not in any way commit the Company to make specified investments. In the first phase of investment, the Board of Directors of the Company has approved a Capex of only Rs. 162 Crores which will be expended over a period of two years.

Safe Harbour

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Sudarshan Chemical Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Pune, 23rd February 2016