

Sudarshan Press Release of 30th January 2016

Sudarshan Reports Q 3 Unaudited Financial Results for FY 2015-16

Pune, 2nd February 2016:

Sudarshan Chemical Industries Limited (Sudarshan), manufacturers of Pigments & Pesticides in India, announced its Unaudited Financial Results on 30th January, 2016, for the quarter and nine months ended 31st December, 2015.

Sudarshan's portfolio of products finds applications in various end user industries like Coatings, Plastics, Inks, Cosmetics, Automotive Coatings and Engineering Plastics. The Company has an international presence through its subsidiaries in North America, Europe and owns some well-regarded brands in the industry. The Company also is in the process of opening a Wholly Owned Subsidiary in China for sourcing key raw material and also to explore trading activity from China.

Key Factors impacting financial results for the quarter ended 31st December 2015:

- Decline in prices of key raw material leading to lower raw material consumption.
- Decline in Selling and distribution expenses.
- Decline in Interest cost due to favourable effect from Euro denominated external commercial borrowing, ongoing initiatives on working capital reduction and general reduction in interest rates.

However the resultant benefits were more or less negated on account of increase in manufacturing expenses due to increase in power cost, consumable spares, contract labor charges and specific plant repairs and replacement expenses .

Financial Highlights:

Quarter ended 31st December, 2015:

- Total income was Rs. 272 Crores in Q3 FY 2015-16 compared to Rs. 246 Crores in Q3 FY 2014-15 thereby recording a growth of 11%.
- PBT stood at Rs. 15.96 Crores in FY15-16 as compared to Rs. 14.87 Crores in FY 2014-15 thereby showing an increase of 7%.
- PAT also stood at Rs. 13.15 Crores in FY15-16 compared to Rs. 10.82 Crores in FY 2014-15 thereby recording an increase of 22%.
- EPS stood at Rs. 1.90 for Q2 FY 2015-16 compared to Rs. 1.56 in FY 2014-15.

Pigment performance for the quarter ended 31st December, 2015:

Pigment Revenue aggregated to Rs.247 Crores in Q3 FY 2015-16 compared to Rs.226 Crores in Q2 FY 2014-15 thereby recording a growth of 9%.

Financial Highlights:

Nine Months ended 31st December, 2015:

- Total income for the nine months ended 31st December 2015 amounted to Rs. 889 crores as compared to Rs. 816 Crores for the corresponding period in the previous year thereby recording a growth of 9%.
- PBT stood for the nine months ended 31st December 2015 stood at Rs. 67.30 Crores as compared to Rs. 54.60 crores for the corresponding period in the previous year thereby showing an increase of 23%.
- PAT for the nine months ended 31st December 2015 stood at Rs. 49.70 Crores as compared to Rs. 38.84 Crores for the corresponding period in the previous year thereby recording an increase of 28%.
- EPS for the nine months ended 31st December 2015 stood at Rs. 7.18 as compared to Rs. 5.61 for the corresponding period in the previous year.

About Sudarshan:

Overview

The Company is one of the largest manufacturers of Pigments in India with more than 30% market share. Sudarshan manufactures an extensive range of Organic, Inorganic and Pearlescent pigments and dispersions catering to the Coatings, Plastics, Inks and Cosmetics Industries worldwide. Sudarshan's product portfolio includes recognized brands like Sudaperm, Sudafast, Sudacolor, Sumica and Sumicos. The Company's development focus is on pigments mainly for automotive coatings and engineering plastics that are produced in state of the art manufacturing facilities.

Sudarshan also manufactures agrochemicals. Some of the well-known formulation brands are Sutathion, Sumidon and Quantum. All agro products have been well received in the Indian markets.

Manufacturing Plants

Sudarshan's manufacturing plants are located at Roha and Mahad, Dist. Raigad in the State of Maharashtra. Both plants manufacture various types of pigments. The Company's pesticide plant is located in Roha. Both Roha and Mahad plants have received the British Five Star Rating which is testimony to strenuous efforts taken by the Company to achieve operational excellence in Environment, Health and Safety.

Research and Development Centre

Recognizing the need for continuous development, Sudarshan has set up a dedicated well-equipped Research and Development Centre to develop cutting edge products to keep pace with evolving customer requirements. The R&D facilities are located at Roha, Dist. Raigad and Ambadvet, Amrlevadi, Tal. Mulshi, Dist, Pune.

The certification of ISO 9001, ISO 14001 and OHSAS – ISO 18001 from BVQI is a testimony to the Company's commitment towards quality, safety and sustainable environment friendly approach. The Company's R&D laboratories are recognized by the Department of Scientific & Industrial Research (DSIR). Our labs are also ISO 17025:2001 certified by National Accreditation Board for Testing and Calibration Laboratories (NABL), Government of India and has received recognition upto March 31, 2016 from the Ministry of Science & Technology, New Delhi.

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 Chemicals 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.