

**SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

REGD.OFFICE / GLOBAL HEAD OFFICE : 162 WELLESLEY ROAD, PUNE - 411 001

Tel. : +91 20 26226200 Fax : +91 20 26058222 Email : investorrelations@sudarshan.com Website : www.sudarshan.com

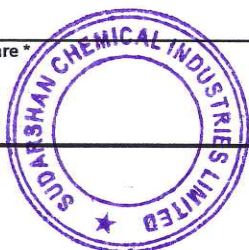
CIN : L24119PN1951PLC008409

**PART I - STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019 (Unaudited)	31.03.2019 (Unaudited) Refer Note 10	30.06.2018 (Unaudited)	31.03.2019 (Audited)
	<b>Continuing Operations</b>				
1	<b>Income from operations</b>				
	(a) Revenue from Operations	37,681.7	38,370.8	33,518.5	140,950.0
	(b) Other operating income (includes government grants)	616.8	481.9	525.9	2,336.1
	<b>Total income from operations</b>	<b>38,298.5</b>	<b>38,852.7</b>	<b>34,044.4</b>	<b>143,286.1</b>
2	Other income (net) (Refer Note 6 and 7)	369.5	247.8	404.0	579.2
3	<b>Total income (1 + 2)</b>	<b>38,668.0</b>	<b>39,100.5</b>	<b>34,448.4</b>	<b>143,865.3</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	22,449.6	22,729.5	23,348.8	89,586.0
	(b) Purchase of Stock-in-trade	-	-	0.2	28.7
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	613.6	1,755.0	(4,081.4)	(3,321.6)
	(d) Excise duty on sale of goods	-	-	-	-
	(e) Employee benefits expense	2,646.8	2,284.5	2,308.1	9,482.6
	(f) Finance costs	291.3	418.1	375.5	1,384.7
	(g) Depreciation and amortisation expense	1,685.2	1,663.8	1,581.4	6,482.2
	(h) Other expenses	6,565.7	6,125.2	6,878.0	27,274.7
	<b>Total expenses (4)</b>	<b>34,252.2</b>	<b>34,976.1</b>	<b>30,410.6</b>	<b>130,917.3</b>
5	<b>Profit before tax and exceptional items from continuing operations (3 - 4)</b>	<b>4,415.8</b>	<b>4,124.4</b>	<b>4,037.8</b>	<b>12,948.0</b>
6	<b>Exceptional Items</b>				
	- Profit / (loss) on sale of subsidiary / division	1,932.9	(7.2)	8,923.4	9,408.6
	- Impairment of investment in subsidiary	-	(1,072.8)	-	(1,072.8)
	<b>Exceptional Items (Refer Note 3 and 4)</b>	<b>1,932.9</b>	<b>(1,080.0)</b>	<b>8,923.4</b>	<b>8,335.8</b>
7	<b>Profit before tax from continuing operations (5 + 6)</b>	<b>6,348.7</b>	<b>3,044.4</b>	<b>12,961.2</b>	<b>21,283.8</b>
8	<b>Tax expense</b>				
	(a) Current Tax				
	- on Continuing Operations excluding exceptional items	1,252.5	1,288.0	1,110.1	4,151.5
	- on Exceptional Items	429.7	30.1	1,887.4	2,037.0
	(b) Deferred Tax	211.1	345.2	383.1	143.4
	<b>Total Tax Expense</b>	<b>1,893.3</b>	<b>1,663.3</b>	<b>3,380.6</b>	<b>6,331.9</b>
9	<b>Profit from continuing operations (7 - 8)</b>	<b>4,455.4</b>	<b>1,381.1</b>	<b>9,580.6</b>	<b>14,951.9</b>
	<b>Discontinued Operations</b>				
10	Profit before tax from discontinued operations	(83.8)	(248.2)	(96.8)	313.4
11	Tax expense of discontinued operations	(29.3)	(85.0)	(33.5)	109.5
12	<b>Profit after tax from discontinued operations (10 - 11)</b>	<b>(54.5)</b>	<b>(163.2)</b>	<b>(63.3)</b>	<b>203.9</b>
13	<b>Profit after tax (9 + 12)</b>	<b>4,400.9</b>	<b>1,217.9</b>	<b>9,517.3</b>	<b>15,155.8</b>
14	<b>Other comprehensive income</b>				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains / (losses) on post employment benefits obligations	(128.9)	(250.5)	(23.0)	(313.7)
	Income tax relating to above	45.0	88.5	6.2	109.6
		<b>(83.9)</b>	<b>(162.0)</b>	<b>(16.8)</b>	<b>(204.1)</b>
	(b) Items that will be reclassified to profit or loss				
	Effective portion of gains / (losses) on hedging instruments in cash flow hedges (Refer Note 7)	(314.5)	397.6	-	773.4
	Income tax relating to above	109.9	(144.8)	-	(270.3)
		<b>(204.6)</b>	<b>252.8</b>	<b>-</b>	<b>503.1</b>
	<b>Total Other comprehensive income (net of taxes) (14)</b>	<b>(288.5)</b>	<b>90.8</b>	<b>(16.8)</b>	<b>299.0</b>
15	<b>Total comprehensive income (13 + 14)</b>	<b>4,112.4</b>	<b>1,308.7</b>	<b>9,500.5</b>	<b>15,454.8</b>
16	Paid-up equity share capital (Face Value Rs. 2/- per share)	1,384.5	1,384.5	1,384.5	1,384.5
17	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year				58,473.8
18	<b>Earnings per share from continuing operations (Refer Note 4) *</b>				
	(of Rs. 2/- each)				
	Basic	6.4	2.0	13.8	21.6
	Diluted	6.4	2.0	13.8	21.6
19	<b>Earnings per share from discontinued operations *</b>				
	(of Rs. 2/- each)				
	Basic	(0.1)	(0.2)	(0.1)	0.3
	Diluted	(0.1)	(0.2)	(0.1)	0.3
20	<b>Earnings per share *</b>				
	(of Rs. 2/- each)				
	Basic	6.3	1.8	13.7	21.9
	Diluted	6.3	1.8	13.7	21.9

\* Not annualised



**NOTES :**

- The above Unaudited Standalone Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7<sup>th</sup> August, 2019. These unaudited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Companies Act, 2013.
- The "Limited Review" of the Standalone Financial Results for the quarter ended 30<sup>th</sup> June, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been carried out by the Statutory Auditors.
- The Company entered into a Business Transfer Agreement dated 12<sup>th</sup> April, 2019 for transfer of its Industrial Mixing Solutions Division on a going concern basis. The resultant gain of Rs. 1,932.9 Lakhs has been recognised under "Exceptional Items". According to the requirements of Ind AS 105 – "Non current assets held for sale and discontinued operations", the operations related to the Industrial Mixing Solution Division have been classified as held for sale / discontinued operations. The results (profit / (loss)) of this business have been presented separately in the results for the current period and comparative periods. The table below provides the details of revenue and profit before tax for the discontinued businesses.

Particulars	(Rs. in Lakhs)			
	Quarter ended		Year Ended	
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
<b>Revenue</b>				
Agro Chemicals	-	98.7	2,150.0	3,687.3
Industrial Mixing Solution Division	36.2	928.9	210.9	3,230.9
<b>Total Revenue</b>	<b>36.2</b>	<b>1,027.6</b>	<b>2,360.9</b>	<b>6,918.2</b>
<b>Profit Before Tax</b>				
Agro Chemicals	-	(279.4)	10.0	(213.5)
Industrial Mixing Solution Division	(83.8)	31.2	(106.8)	526.9
<b>Total Profit Before Tax</b>	<b>(83.8)</b>	<b>(248.2)</b>	<b>(96.8)</b>	<b>313.4</b>

- Exceptional item pertains to the gain (adjusted for the costs directly related to the transaction) from divestment of the Company's holdings in its wholly owned subsidiary, Prescient Color Limited and the sale of its Agro Formulation Branding Business during the previous period and Industrial Mixing Solutions Division during the current period. (Refer Note 3 above) Exceptional item also includes impairment loss on the Company's investment in its wholly owned subsidiary, RIECO Industries Limited. The Company assessed its investment in RIECO Industries Limited and consequently provided for impairment amounting to Rs. 1,072.8 Lakhs during the year ended 31<sup>st</sup> March, 2019. The table below explains the impact of this transaction on the profit and earnings per share:

Particulars	(Rs. in Lakhs)			
	Quarter ended		Year Ended	
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Profit before tax and exceptional items from continuing operations	4,415.8	4,124.4	4,037.8	12,948.0
Tax expense excluding tax on exceptional items	1,463.6	1,633.2	1,493.2	4,294.9
Profit from continuing operations excluding exceptional items	2,952.2	2,491.2	2,544.6	8,653.1
Basic and diluted Earnings per share from continuing operations (excluding exceptional items)	4.3	3.6	3.7	12.5
	Not annualised			

- Effective 1<sup>st</sup> April, 2019, the Company adopted Ind AS 116 - "Leases" using the modified retrospective approach. Accordingly, the comparative information is not restated. The adoption of the standard did not have any material impact on the financial results of the Company.
- The Other Income for the reported and all comparable periods, is net of loss on translation of foreign currency monetary items.
- As permitted under "Ind AS 109 Financial Instruments", the Company has voluntarily adopted Hedge Accounting with effect from 1<sup>st</sup> July, 2018. This represents a change in accounting policy as compared to the previous periods presented in these results. Pursuant to this change the effective portion of the hedges have been accumulated in the Other Comprehensive Income as follows.

Particulars	(Rs. in Lakhs)			
	Quarter ended		Year Ended	
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(314.5)	397.6	-	773.4

- The tax expense for the year ended 31<sup>st</sup> March 2019 is net of reversals pertaining to previous years amounting to Rs. 90 Lakhs.
- The principal business of the Company is of manufacturing and sale of Pigment. The Board of Directors of the Company evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. Accordingly it is concluded that there is only one operating reportable segment as defined by Ind AS 108, i.e. Pigment.
- The figures for the quarter ended 31<sup>st</sup> March, 2019 as reported in these Standalone Financial Results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
- The aforesaid Unaudited Standalone Financial Results will be uploaded on the Company's website [www.sudarshan.com](http://www.sudarshan.com) and will also be available on the websites of BSE Limited [www.bseindia.com](http://www.bseindia.com) and The National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com) for the benefit of shareholders and investors.

For and on behalf of the Board of Directors



*[Signature]*  
R.B.RATHI  
MANAGING DIRECTOR

*[Signature]*

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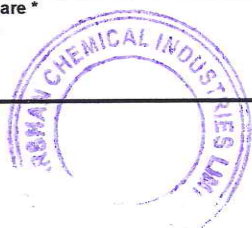
Tel. : +91 20 26226200 Fax : +91 20 26058222 Email : investorrelations@sudarshan.com Website : www.sudarshan.com  
CIN : L24119PN1951PLC008409

**PART I - STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2019 (Unaudited)	31.03.2019 (Unaudited) Refer Note 11	30.06.2018 (Unaudited) Refer Note 11	31.03.2019 (Audited)
	<b>Continuing Operations</b>				
1	<b>Income from operations</b>				
	(a) Revenue from Operations	39,026.0	39,954.4	35,490.0	145,314.9
	(b) Other operating income (includes government grants)	616.8	482.0	525.9	2,336.1
	<b>Total income from operations</b>	<b>39,642.8</b>	<b>40,436.4</b>	<b>36,015.9</b>	<b>147,651.0</b>
2	Other income (net) (Refer Note 7 and 8)	339.0	100.1	457.5	567.0
3	<b>Total Income (1 + 2)</b>	<b>39,981.8</b>	<b>40,536.5</b>	<b>36,473.4</b>	<b>148,218.0</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	22,245.3	21,571.1	23,114.6	87,223.8
	(b) Purchase of Stock-in-trade	661.1	807.3	761.6	3,229.1
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	179.6	2,030.1	(3,791.7)	(4,455.4)
	(d) Excise duty on sale of goods	-	-	-	-
	(e) Employee benefits expense	3,223.0	2,524.9	2,797.5	11,305.9
	(f) Finance costs	326.7	446.1	407.0	1,516.8
	(g) Depreciation and amortisation expense	1,687.4	1,666.0	1,582.9	6,489.7
	(h) Other expenses	7,125.1	6,642.7	7,354.3	29,265.2
	<b>Total expenses (4)</b>	<b>35,448.2</b>	<b>35,688.2</b>	<b>32,226.2</b>	<b>134,575.1</b>
5	<b>Profit before tax and exceptional items from continuing operations (3 - 4)</b>	<b>4,533.6</b>	<b>4,848.3</b>	<b>4,247.2</b>	<b>13,642.9</b>
6	<b>Exceptional Items</b>				
	- Profit / (loss) on sale of subsidiary / division	1,932.9	(7.2)	6,741.8	7,227.0
	<b>Exceptional Items (Refer Note 4 and 5)</b>	<b>1,932.9</b>	<b>(7.2)</b>	<b>6,741.8</b>	<b>7,227.0</b>
7	<b>Profit before tax from continuing operations (5 + 6)</b>	<b>6,466.5</b>	<b>4,841.1</b>	<b>10,989.0</b>	<b>20,869.9</b>
8	<b>Tax expense</b>				
	(a) Current Tax				
	- on Continuing Operations excluding exceptional items	1,309.3	1,420.5	1,147.8	4,344.9
	- on Exceptional Items	429.7	-	1,887.4	2,037.0
	(b) Deferred Tax	187.2	646.2	438.5	513.6
	<b>Total Tax Expense</b>	<b>1,926.2</b>	<b>2,066.7</b>	<b>3,473.7</b>	<b>6,895.5</b>
9	<b>Profit from continuing operations (7 - 8)</b>	<b>4,540.3</b>	<b>2,774.4</b>	<b>7,515.3</b>	<b>13,974.4</b>
	<b>Discontinued Operations</b>				
10	Profit before tax from discontinued operations	(299.1)	(374.8)	(854.5)	(434.0)
11	Tax expense of discontinued operations	(29.3)	(182.1)	(15.4)	30.5
12	<b>Profit after tax from discontinued operations (10 - 11)</b>	<b>(269.8)</b>	<b>(192.7)</b>	<b>(839.1)</b>	<b>(464.5)</b>
13	<b>Profit after tax (9 + 12)</b>	<b>4,270.5</b>	<b>2,581.7</b>	<b>6,676.2</b>	<b>13,509.9</b>
14	<b>Other comprehensive income</b>				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains / (losses) on post employment benefits obligations	(128.9)	(371.0)	(23.0)	(434.2)
	Income tax relating to above	45.0	119.8	6.2	140.9
		<b>(83.9)</b>	<b>(251.2)</b>	<b>(16.8)</b>	<b>(293.3)</b>
	(b) Items that will be reclassified to profit or loss				
	Effective portion of gains / (losses) on hedging instruments in cash flow hedges (Refer Note 8)	(314.5)	397.6	-	773.4
	Gain / (loss) on translation of foreign operations	29.3	(49.2)	78.6	34.0
	Income tax relating to above	109.9	(144.8)	-	(270.3)
		<b>(175.3)</b>	<b>203.6</b>	<b>78.6</b>	<b>537.1</b>
	<b>Total Other comprehensive income (net of taxes) (14)</b>	<b>(259.2)</b>	<b>(47.6)</b>	<b>61.8</b>	<b>243.8</b>
15	<b>Total comprehensive income (13 + 14)</b>	<b>4,011.3</b>	<b>2,534.1</b>	<b>6,738.0</b>	<b>13,753.7</b>
16	Paid-up equity share capital (Face Value Rs. 2/- per share)	1,384.5	1,384.5	1,384.5	1,384.5
17	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year				55,386.8
18	<b>Earnings per share from continuing operations (Refer Note 5) *</b> (of Rs. 2/- each)				
	Basic	6.6	4.0	10.9	20.2
	Diluted	6.6	4.0	10.9	20.2
19	<b>Earnings per share from discontinued operations *</b> (of Rs. 2/- each)				
	Basic	(0.4)	(0.3)	(1.3)	(0.7)
	Diluted	(0.4)	(0.3)	(1.3)	(0.7)
20	<b>Earnings per share *</b> (of Rs. 2/- each)				
	Basic	6.2	3.7	9.6	19.5
	Diluted	6.2	3.7	9.6	19.5

\* Not annualised



**NOTES :**

- The above Unaudited Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7<sup>th</sup> August, 2019. These unaudited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Companies Act, 2013.
- The "Limited Review" of the Consolidated Financial Results for the quarter ended 30<sup>th</sup> June, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been carried out by the Statutory Auditors.
- The Consolidated Financial results include the Financial Results of the wholly owned subsidiaries viz. Prescient Color Limited (upto the date of divestment), RIECO Industries Limited, Sudarshan Europe B.V. (The Netherlands), Sudarshan (Shanghai) Trading Company Limited (China); and the step-down subsidiaries viz. Sudarshan North America Inc. (U.S.A.), and Sudarshan Mexico S de R.L.de CV (Mexico).
- The Company entered into a Business Transfer Agreement dated 12<sup>th</sup> April, 2019 for transfer of its Industrial Mixing Solutions Division on a going concern basis. The resultant gain of Rs. 1,932.9 Lakhs has been recognised under "Exceptional Items". According to the requirements of Ind AS 105 – "Non current assets held for sale and discontinued operations", the operations related to the Industrial Mixing Solution Division have been classified as held for sale / discontinued operations. The results (profit / (loss)) of this business have been presented separately in the results for the current period and comparative periods.

Pursuant to its objective of focusing on its core business i.e. Pigment, the Company is actively looking to divest its holdings in its wholly owned subsidiary, RIECO Industries Limited, on a going concern basis. Pursuant to the requirements of Ind AS 105 – "Non current assets held for sale and discontinued operations", the operations of this subsidiary has been classified as held for sale / discontinued operations. The results (profit / (loss)) of this business have been presented separately in the consolidated results for the current period and comparative periods. The table below provides the details of revenue and profit before tax for the discontinued businesses.

Particulars	Quarter ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
<b>Revenue</b>				
Agro Chemicals	-	98.7	2,150.0	3,687.3
Industrial Mixing Solution Division	36.2	928.9	210.9	3,230.9
Prescient Color Limited	-	-	1,192.8	1,192.8
RIECO Industries Limited	1,426.5	2,473.7	2,129.7	11,653.8
<b>Total Revenue</b>	<b>1,462.7</b>	<b>3,501.3</b>	<b>5,683.4</b>	<b>19,764.8</b>
<b>Profit Before Tax</b>				
Agro Chemicals	-	(279.4)	10.0	(213.5)
Industrial Mixing Solution Division	(83.8)	31.2	(106.8)	526.9
Prescient Color Limited	-	-	49.0	49.0
RIECO Industries Limited	(215.3)	(126.6)	(806.7)	(796.4)
<b>Total Profit Before Tax</b>	<b>(299.1)</b>	<b>(374.8)</b>	<b>(854.5)</b>	<b>(434.0)</b>

- Exceptional item pertains to the gain (adjusted for the costs directly related to the transaction) from divestment of the Company's holdings in its wholly owned subsidiary, Prescient Color Limited and the sale of its Agro Formulation Branding Business during the previous period and Industrial Mixing Solutions Division during the current period. (Refer Note 4 above)  
The table below explains the impact of this transaction on the profit and earnings per share:

Particulars	Quarter ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Profit before tax and exceptional items from continuing operations	4,533.6	4,848.3	4,247.2	13,642.9
Tax expense excluding tax on exceptional items	1,496.5	2,066.7	1,586.3	4,858.5
Profit from continuing operations excluding exceptional items	3,037.1	2,781.6	2,660.9	8,784.4
Basic and diluted Earnings per share from continuing operations (excluding exceptional items)	4.4	4.0	3.8	12.7
		Not annualised		

- Effective 1<sup>st</sup> April, 2019, the Company adopted Ind AS 116 - "Leases" using the modified retrospective approach. Accordingly, the comparative information is not restated. The adoption of the standard did not have any material impact on the financial results of the Company.
- The Other Income for the reported and all comparable periods, is net of loss on translation of foreign currency monetary items.
- As permitted under "Ind AS 109 Financial Instruments", the Company has voluntarily adopted Hedge Accounting with effect from 1<sup>st</sup> July, 2018. This represents a change in accounting policy as compared to the previous periods presented in these results. Pursuant to this change the effective portion of the hedges have been accumulated in the Other Comprehensive Income as follows.

Particulars	Quarter ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(314.5)	397.6	-	773.4

- The tax expense for the year ended 31<sup>st</sup> March 2019 is net of reversals pertaining to previous years amounting to Rs. 90 Lakhs.
- The principal business of the Company is of manufacturing and sale of Pigment. The Board of Directors of the Company evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. Accordingly it is concluded that there is only one operating reportable segment as defined by Ind AS 108, i.e. Pigment.
- As per SEBI Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018, the Company has prepared its Quarterly Consolidated Financial Results. This is the first time the Company has prepared such results. As required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the comparative results for the immediately preceding quarter ended 31<sup>st</sup> March, 2019 and for the corresponding quarter in the previous year i.e. ended 30<sup>th</sup> June, 2018 have been prepared by the management and the management has exercised the necessary due diligence to ensure that the Consolidated Financial Results provide a true and fair view of the Company's affairs. These have not been subjected to review / audit.
- The aforesaid Unaudited Consolidated Financial Results will be uploaded on the Company's website [www.sudarshan.com](http://www.sudarshan.com) and will also be available on the websites of BSE Limited [www.bseindia.com](http://www.bseindia.com) and The National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com) for the benefit of shareholders and investors.

Pune : 7<sup>th</sup> August, 2019



For and on behalf of the Board of Directors

*[Signature]*  
R.B.RATHI  
MANAGING DIRECTOR

*[Handwritten mark]*

# B S R & Associates LLP

Chartered Accountants

7th & 8th floor, Business Plaza,  
Westin Hotel Campus,  
36/3-B, Koregaon Park Annex,  
Mundhwa Road, Ghorpadi,  
Pune - 411001, India

Telephone +91 (20) 6747 7300  
Fax +91 (20) 6747 7310

## Limited Review Report on Unaudited Quarterly Standalone Financial Results of Sudarshan Chemical Industries Limited under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors of Sudarshan Chemical Industries Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sudarshan Chemical Industries Limited for the quarter ended 30 June 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



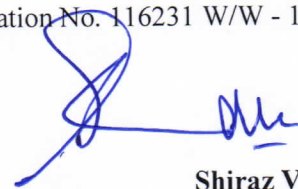
**Limited Review Report on Unaudited Quarterly Standalone Financial Results of Sudarshan Chemical Industries Limited under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For B S R & Associates LLP**

Chartered Accountants

Firm's Registration No. 116231 W/W - 100024



**Shiraz Vastani**

Partner

Membership No. 103334

ICAI UDIN: 19103334AAAABV1527

Place: Pune

Date: 7 August 2019

# B S R & Associates LLP

Chartered Accountants

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Westin Hotel Campus,  
36/3-B, Koregaon Park Annex,  
Mundhwa Road, Ghorpadi,  
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## Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Sudarshan Chemical Industries Limited under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of Sudarshan Chemical Industries Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sudarshan Chemical Industries Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended 30 June 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30 June 2018 and consolidated figures for the quarter ended 31 March 2019, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



**Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Sudarshan Chemical Industries Limited under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

4. The Statement includes the results of the following entities:
- a. Sudarshan Chemical Industries Limited, - Holding Company

**Subsidiary Companies -**

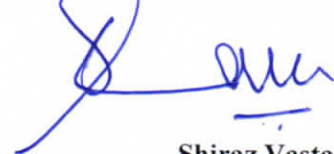
- b. Sudarshan Europe B.V.
  - c. Sudarshan North America Inc.
  - d. Sudarshan (Shanghai) Trading Company Limited
  - e. Sudarshan Mexico S. de. R.L. de CV.
  - f. Rieco Industries Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the interim financial information of 4 subsidiaries which have not been reviewed/audited, whose interim financial information reflect total revenue of Rs.2,938.0 lakhs, total net loss after tax of Rs.153.7 lakhs and total comprehensive loss of Rs.193.5 lakhs for the quarter ended 30 June 2019, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

**For B S R & Associates LLP**

Chartered Accountants

Firm's Registration No. IT6231 W/W - 100024



**Shiraz Vastani**

Partner

Membership No. 103334

ICAI UDIN : 19103334AAAABW6707

Place: Pune

Date: 7 August 2019