

8th February, 2019

DCS – Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Code - 506655

Scrip Symbol - SUDARSCHEM

Dear Sir,

Sub : Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31st December, 2018

Please find enclosed herewith a Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31st December, 2018, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on Friday, 8th February, 2019.

The “Limited Review Report” issued by B S R & Associates LLP, Chartered Accountants, Statutory Auditors of the Company with respect to the said results is also enclosed.

The Board Meeting commenced at 11.30 A.M. and concluded at 2.20 P.M.

Kindly take the same on record.

Thanking You,
Yours Faithfully,

For SUDARSHAN CHEMICAL INDUSTRIES LIMITED


MANDAR VELANKAR
DGM – LEGAL & COMPANY SECRETARY



Encl : As above

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SUDARSHAN CHEMICAL INDUSTRIES LIMITED

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CIN : L24119PN1951PLC008409

PART I - STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
	Continuing Operations						
1	Income from operations						
	(a) Revenue from Operations (Refer Note 6)	34,122.7	37,029.1	31,854.4	104,881.2	94,454.7	132,183.9
	(b) Other operating income (includes government grants)	647.0	681.3	601.9	1,854.2	1,760.3	2,452.2
	Total income from operations	34,769.7	37,710.4	32,456.3	106,735.4	96,215.0	134,636.1
2	Other income (net) (Refer Note 7 and 8)	114.0	(154.9)	429.8	372.5	1,524.8	1,126.5
3	Total Income (1 + 2)	34,883.7	37,555.5	32,886.1	107,107.9	97,739.8	135,762.6
4	Expenses						
	(a) Cost of materials consumed	20,122.4	24,123.8	17,407.6	67,772.0	55,628.0	76,908.8
	(b) Purchase of Stock-in-trade	28.5	-	4.7	28.7	5.3	18.0
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer Note 6)	951.7	(1,836.4)	1,788.5	(5,052.2)	(1,213.9)	347.6
	(d) Excise duty on sale of goods	-	-	-	-	2,268.6	2,268.6
	(e) Employee benefits expense	2,692.9	2,376.8	1,987.7	7,454.0	5,956.0	8,003.4
	(f) Finance costs	371.0	227.8	521.3	978.3	1,810.3	2,377.6
	(g) Depreciation and amortisation expense	1,663.7	1,596.7	1,508.2	4,853.8	4,311.9	5,821.2
	(h) Other expenses (Refer Note 6)	7,307.9	7,424.1	6,669.6	21,754.0	19,436.9	27,357.5
	Total expenses (4)	33,138.1	33,912.8	29,887.6	97,788.6	88,203.1	123,102.7
5	Profit before tax and exceptional items from continuing operations (3 - 4)	1,745.6	3,642.7	2,998.5	9,319.3	9,536.7	12,659.9
6	Exceptional Items (Refer Note 3 and 4)	(4.8)	497.2	-	9,415.8	-	-
7	Profit before tax from continuing operations (5 + 6)	1,740.8	4,139.9	2,998.5	18,735.1	9,536.7	12,659.9
8	Tax expense						
	(a) Current Tax						
	- on Continuing Operations excluding exceptional items	1,058.2	903.7	342.0	3,035.0	2,319.1	3,356.6
	- on Exceptional Items	-	119.5	-	2,006.9	-	-
	(b) Deferred Tax	(740.8)	155.9	738.8	(201.8)	921.6	720.3
	Total Tax Expense	317.4	1,179.1	1,080.8	4,840.1	3,240.7	4,076.9
9	Profit from continuing operations (7 - 8)	1,423.4	2,960.8	1,917.7	13,895.0	6,296.0	8,583.0
	Discontinued Operations						
10	Profit before tax from discontinued operations	39.7	16.2	(17.3)	65.9	393.5	336.0
11	Tax expense of discontinued operations	13.8	5.7	(6.0)	23.0	136.2	116.3
12	Profit after tax from discontinued operations (10 - 11)	25.9	10.5	(11.3)	42.9	257.3	219.7
13	Profit after tax (9 + 12)	1,449.3	2,971.3	1,906.4	13,937.9	6,553.3	8,802.7
14	Other comprehensive income						
	(a) Items that will not be reclassified to profit or loss						
	Re-measurement gains / (losses) on post employment benefits obligations	(20.0)	(20.2)	153.5	(63.2)	(57.2)	(91.2)
	Income tax relating to above	9.7	5.2	(53.1)	21.1	19.8	31.6
		(10.3)	(15.0)	100.4	(42.1)	(37.4)	(59.6)
	(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)	1,273.2	(897.4)	-	375.8	-	-
	Income tax relating to above	(423.0)	297.5	-	(125.5)	-	-
		850.2	(599.9)	-	250.3	-	-
	Total Other comprehensive income (net of taxes) (14)	839.9	(614.9)	100.4	208.2	(37.4)	(59.6)
15	Total comprehensive income (13 + 14)	2,289.2	2,356.4	2,006.8	14,146.1	6,515.9	8,743.1
16	Paid-up equity share capital (Face Value Rs. 2/- per share)	1,384.5	1,384.5	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						43,853.6
18	Earnings per share from continuing operations (Refer Note 3) * (of Rs. 2/- each)						
	Basic	2.1	4.3	2.8	20.1	9.1	12.4
	Diluted	2.1	4.3	2.8	20.1	9.1	12.4
19	Earnings per share from discontinued operations * (of Rs. 2/- each)						
	Basic	0.0	0.0	(0.0)	0.1	0.4	0.3
	Diluted	0.0	0.0	(0.0)	0.1	0.4	0.3
20	Earnings per share * (of Rs. 2/- each)						
	Basic	2.1	4.3	2.8	20.1	9.5	12.7
	Diluted	2.1	4.3	2.8	20.1	9.5	12.7

* Not annualised



For Sudarshan Chemical Industries Ltd.

(Signature)

R. B. Rathi
Managing Director

(Signature)

PART II - SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
1	Segment Revenue -						
	(a) Pigments	33,837.6	36,352.4	31,846.4	104,191.8	94,949.2	132,653.2
	(b) Others	932.1	1,358.0	609.9	2,543.6	1,265.8	1,982.9
	Total :	34,769.7	37,710.4	32,456.3	106,735.4	96,215.0	134,636.1
	Less : Inter-segment revenue	-	-	-	-	-	-
	Total Revenue from continuing operations	34,769.7	37,710.4	32,456.3	106,735.4	96,215.0	134,636.1
	Discontinued Operations (Agro Chemicals Division)	97.0	1,341.6	2,052.7	3,588.6	9,552.0	11,676.6
	Total Revenue	34,866.7	39,052.0	34,509.0	110,324.0	105,767.0	146,312.7
2	Segment Results -						
	Profit / (Loss) before tax and finance cost						
	(a) Pigments	1,809.6	3,405.2	3,417.2	9,658.1	11,304.0	14,740.9
	(b) Others	307.0	465.3	102.6	639.5	43.0	296.6
	Total :	2,116.6	3,870.5	3,519.8	10,297.6	11,347.0	15,037.5
	Less : (i) Finance cost	371.0	227.8	521.3	978.3	1,810.3	2,377.6
	Profit Before Tax from continuing operations (excluding exceptional items):	1,745.6	3,642.7	2,998.5	9,319.3	9,536.7	12,659.9
	Profit Before Tax from discontinued operations (Agro Chemicals Division)	39.7	16.2	(17.3)	65.9	393.5	336.0
	Total Profit Before Tax (excluding exceptional items)	1,785.3	3,658.9	2,981.2	9,385.2	9,930.2	12,995.9
		As at 31.12.2018 (Unaudited)	As at 30.09.2018 (Unaudited)	As at 31.12.2017 (Unaudited)	As at 31.12.2018 (Unaudited)	As at 31.12.2017 (Unaudited)	As at 31.03.2018 (Audited)
3	Capital Employed -						
	Segment Assets:						
	(a) Pigments	120,996.9	121,032.3	102,138.2	120,996.9	102,138.2	102,886.2
	(b) Discontinued Operations (Agro Chemicals)	149.1	7.7	4,487.6	149.1	4,487.6	2,252.4
	(c) Others	1,950.1	2,192.6	2,084.6	1,950.1	2,084.6	2,160.7
	(d) Unallocated	7,506.8	7,605.5	9,151.3	7,506.8	9,151.3	9,317.2
	Total Segment Assets :	130,602.9	130,838.1	117,861.7	130,602.9	117,861.7	116,616.5
	Segment Liabilities (excluding deferred tax):						
	(a) Pigments	28,291.2	36,717.8	25,486.6	28,291.2	25,486.6	26,814.8
	(b) Discontinued Operations (Agro Chemicals)	121.3	12.1	888.0	121.3	888.0	1,395.4
	(c) Others	582.6	789.8	275.6	582.6	275.6	132.3
	(d) Unallocated	1,513.2	2,220.1	1,316.8	1,513.2	1,316.8	1,343.7
	Total Segment Liabilities :	30,508.3	39,739.8	27,967.0	30,508.3	27,967.0	29,686.2
	Total Capital Employed :	100,094.6	91,098.3	89,894.7	100,094.6	89,894.7	86,930.3



For Sudarshan Chemical Industries Ltd.

[Signature]
R. B. Ratni
Managing Director

NOTES :

- The above Unaudited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 8th February, 2019
- The "Limited Review" of the financial results for the quarter and nine months ended 31st December, 2018 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been carried out by the Statutory Auditors.
- 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 (Refer Note 4 below). Owing to these transactions, the profit and earnings per share for the quarters ended 31st December 2018 and 30th September, 2018 and the nine months ended 31st December, 2018 are not comparable with those of the earlier periods. The table below explains the impact of this transaction on the profit and earnings per share:

Particulars	Quarter ended			Nine Months		(Rs. in Lakhs)
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	Year Ended 31.03.2018
Profit before tax and exceptional items from continuing operations	1,745.6	3,642.7	2,998.5	9,319.3	9,536.7	12,659.9
Tax expense excluding tax on exceptional items	317.4	1,059.6	1,080.8	2,833.2	3,240.7	4,076.9
Profit from continuing operations excluding exceptional items	1,428.2	2,583.1	1,917.7	6,486.1	6,296.0	8,583.0
Basic and diluted Earnings per share from continuing operations (excluding exceptional items)	2.1	3.7	2.8	9.4	9.1	12.4
	Not annualised					

- The Company entered into a Business Transfer Agreement dated 16th July, 2018 for transfer of its Agro Formulation Brand Business on a going concern basis. The transaction was completed on 20th September, 2018. Profit for the period upto 20th September, 2018 has been classified under profit from discontinued operations. The resultant gain on sale amounting to Rs. 585 Lakhs has been classified under exceptional items.
- (a) Effective 1st April, 2018, the Company adopted Ind AS 115 - "Revenue from Contracts with Customers" (which replaces the earlier revenue recognition standards) using the cumulative effect method which is applied to contracts that were not completed as of 1st April, 2018. 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.
(b) Effective 1st April, 2018, the Company adopted Appendix B to Ind AS 21 "Foreign Currency Transactions and Advance Considerations". The application of Appendix B to Ind AS 21 did not have any material impact on the financial results of the Company.
- In accordance with the requirements of Ind AS, revenue for all periods is net of Goods and Service Tax (GST). However, revenue for the nine months ended 31st December, 2017 is inclusive of excise duty. The revenue from operations for the nine months ended 31st December, 2018 is therefore not comparable with the nine months ended 31st December, 2017. Following additional information is being provided to facilitate such comparison:

Particulars	Quarter Ended			Nine Months		(Rs. in Lakhs)
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	Year Ended 31.03.2018
Revenue from Operations (as published)	34,122.7	37,029.1	31,854.4	104,881.2	94,454.7	132,183.9
Less: Excise duty	-	-	-	-	2,268.6	2,268.6
Comparable Revenue from Operations	34,122.7	37,029.1	31,854.4	104,881.2	92,186.1	129,915.3

Similarly, post applicability of GST, the inventory of finished goods as at each period end and the Changes in inventories of finished goods, work-in-progress and stock-in-trade and Other expenses for the quarter/year ended on these dates do not include provision for excise duty. The Cost of goods sold and Other Expenses (net of excise duty provision) are as follows:

Particulars	Quarter Ended			Nine Months		(Rs. in Lakhs)
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	Year Ended 31.03.2018
Cost of materials consumed	20,122.4	24,123.8	17,407.6	67,772.0	55,628.0	76,908.8
Purchase of Stock-in-trade	28.5	-	4.7	28.7	5.3	18.0
Changes in inventories	951.7	(1,836.4)	1,788.5	(5,052.2)	(1,213.9)	347.6
Cost of goods sold (as published)	21,102.6	22,287.4	19,200.8	62,748.5	54,419.4	77,274.4
Less: Increase / (decrease) in Excise duty provision on finished goods	-	-	-	-	(662.3)	(662.3)
Comparable cost of goods sold	21,102.6	22,287.4	19,200.8	62,748.5	53,757.1	76,612.1
Other Expenses (as published)	7,307.9	7,424.1	6,669.6	21,754.0	19,436.9	27,357.5
Less: Increase / (decrease) in Excise duty provision on finished goods	-	-	-	-	662.3	662.3
Comparable other expenses	7,307.9	7,424.1	6,669.6	21,754.0	20,099.2	28,019.8

- As permitted under "Ind AS 109 Financial Instruments", the Company has voluntarily adopted Hedge Accounting with effect from 1st 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			Nine Months		(Rs. in Lakhs)
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	Year Ended 31.03.2018
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	1,273.2	(897.4)	-	375.8	-	-

- The Other Income for the quarter and nine months ended 31st December 2018 and all comparable periods, is net of loss on translation of foreign currency monetary items.
- The tax expense for the quarter and nine months ended 31st December 2018 is net of reversals pertaining to previous years amounting to Rs. 157 Lakhs.
- The aforesaid Unaudited Financial Results will be uploaded on the Company's website www.sudarshan.com and will also be available on the websites of BSE Limited www.bseindia.com and The National Stock Exchange of India Limited 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]

B S R & Associates LLP

Chartered Accountants

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To
Board of Directors of Sudarshan Chemical Industries Limited

We have reviewed the accompanying statement of unaudited financial results of Sudarshan Chemical Industries Limited for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies 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.

For B S R & Associates LLP
Chartered Accountants
(Firm's Registration No.: 116231 W/W-100024)

Shiraz Vastani
Partner

Membership No. 103334

Place: Pune
Date: 8 February 2019