

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

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

Tel. : +91-20-2622-6200 Fax : +91-20-2605-8222 Email : shares@sudarshan.com Website : www.sudarshan.com
CIN : L24119PN1951PLC008409

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone				Consolidated for the Year Ended	
		Quarter Ended		Year Ended		31.03.2018 (Audited)	31.03.2017 (Audited)
		31.03.2018 (Audited) Refer Note 9	31.12.2017 (Unaudited) Refer Note 4	31.03.2017 (Audited) Refer Note 3, 4 & 9	31.03.2018 (Audited) Refer Note 3 & 4		
Continuing Operations							
1	Income from operations						
	(a) Revenue from Operations (Refer Note 7)	37,729.2	31,854.4	30,142.5	132,183.9	118,161.3	145,425.3
	(b) Other operating income	691.9	601.9	1,564.4	2,452.2	3,167.6	2,456.7
	Total income from operations	38,421.1	32,456.3	31,706.9	134,636.1	121,328.9	147,882.0
2	Other income (net)	(398.3)	429.8	753.2	1,126.5	2,010.0	1,025.1
3	Total Income (1 + 2)	38,022.8	32,886.1	32,460.1	135,762.6	123,338.9	148,907.1
4	Expenses						
	(a) Cost of materials consumed	21,280.8	17,407.6	16,720.7	76,908.8	64,754.1	83,349.7
	(b) Purchase of Stock-in-trade	12.7	4.7	9.5	18.0	30.7	1,603.6
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer Note 7)	1,561.5	1,788.5	585.8	347.6	(1,292.8)	(1,073.0)
	(d) Excise duty on sale of goods	-	-	2,403.0	2,268.6	8,717.2	2,338.9
	(e) Employee benefits expense	2,047.4	1,987.7	1,951.5	8,003.4	7,177.2	10,926.7
	(f) Finance costs	567.3	521.3	580.7	2,377.6	2,302.2	2,721.5
	(g) Depreciation and amortisation expense	1,509.3	1,508.2	1,330.4	5,821.2	4,854.8	5,863.1
	(h) Other expenses (Refer Note 7)	7,920.6	6,669.6	6,712.8	27,357.5	25,179.9	31,402.8
	Total expenses (4)	34,899.6	29,887.6	30,294.4	123,102.7	111,723.3	137,133.3
5	Profit before tax from continuing operations (3 - 4)	3,123.2	2,998.5	2,165.7	12,659.9	11,615.6	11,773.8
6	Tax expense						
	(a) Current Tax	1,037.5	342.0	664.8	3,356.6	2,463.2	3,583.6
	(b) Deferred Tax	(201.3)	738.8	(235.8)	720.3	556.5	371.1
	Total Tax Expense	836.2	1,080.8	429.0	4,076.9	3,019.7	3,954.7
7	Profit for the year / quarter from continuing operations (5 - 6)	2,287.0	1,917.7	1,736.7	8,583.0	8,595.9	7,819.1
Discontinued Operations							
8	Profit / (Loss) before tax for the year / quarter from discontinued operations	(57.5)	(17.3)	12.1	336.0	507.0	900.3
9	Tax expense of discontinued operations	(19.9)	(6.0)	4.2	116.3	175.5	246.9
10	Profit / (Loss) after tax for the year / quarter from discontinued operations (8 - 9)	(37.6)	(11.3)	7.9	219.7	331.5	653.4
11	Profit for the year / quarter (7 + 10)	2,249.4	1,906.4	1,744.6	8,802.7	8,927.4	8,472.5
12	Other comprehensive income (net of taxes)						
	(a) Items that will not be reclassified to profit or loss						
	Re-measurement gains/ (losses) on post employment benefits obligations	(34.0)	153.5	133.5	(91.2)	(82.6)	(9.4)
	Income tax relating to above	11.8	(53.1)	(46.2)	31.6	28.6	10.3
		(22.2)	100.4	87.3	(59.6)	(54.0)	0.9
	(b) Items that will be reclassified to profit or loss						
	Gain/ (Loss) on translation of foreign operations	-	-	-	-	-	333.9
	Total Other comprehensive income (net of taxes) (12)	(22.2)	100.4	87.3	(59.6)	(54.0)	334.8
13	Total comprehensive income (11 + 12)	2,227.2	2,006.8	1,831.9	8,743.1	8,873.4	8,807.3
14	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
15	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year				43,853.6	38,026.8	42,612.2
16	Earnings per share from continuing operations (of Rs. 2/- each)						
	Basic	3.30	2.77	2.51	12.40	12.42	11.29
	Diluted	3.30	2.77	2.51	12.40	12.42	11.29
17	Earnings per share from discontinued operations (of Rs. 2/- each)						
	Basic	(0.05)	(0.02)	0.01	0.32	0.48	0.94
	Diluted	(0.05)	(0.02)	0.01	0.32	0.48	0.94
18	Earnings per share (of Rs. 2/- each)						
	Basic	3.25	2.75	2.52	12.72	12.90	12.24
	Diluted	3.25	2.75	2.52	12.72	12.90	12.24

Not annualised

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone				Consolidated for the		
		Quarter Ended			Year Ended		Year Ended	
		31.03.2018 (Audited) Refer Note 9	31.12.2017 (Unaudited) Refer Note 4	31.03.2017 (Audited) Refer Note 3, 4 & 9	31.03.2018 (Audited)	31.03.2017 (Audited) Refer Note 3 & 4	31.03.2018 (Audited)	31.03.2017 (Audited) Refer Note 3 & 4
1	Segment Revenue -							
	(a) Pigments	37,704.0	31,846.4	31,061.5	132,653.2	119,496.3	135,185.1	
	(b) Others	717.1	609.9	645.4	1,982.9	1,832.6	12,696.9	
	Total :	38,421.1	32,456.3	31,706.9	134,636.1	121,328.9	147,882.0	
	Less : Inter-segment revenue	-	-	-	-	-	-	
	Total Revenue from continuing operations	38,421.1	32,456.3	31,706.9	134,636.1	121,328.9	147,882.0	
	Discontinued Operations (Agro Chemicals Division & Prescient Color Ltd.)	2,124.6	2,052.7	3,219.0	11,676.6	15,136.4	19,611.0	
	Total Revenue	40,545.7	34,509.0	34,925.9	146,312.7	136,465.3	167,493.0	
2	Segment Results -							
	Profit / (Loss) before tax and finance cost							
	(a) Pigments	3,436.9	3,417.2	3,127.4	14,740.9	14,448.8	13,773.8	
	(c) Others	253.6	102.6	(381.0)	296.6	(531.0)	721.5	
	Total :	3,690.5	3,519.8	2,746.4	15,037.5	13,917.8	14,495.3	
	Less : (i) Finance cost	567.3	521.3	580.7	2,377.6	2,302.2	2,721.5	
	Profit Before Tax from continuing operations:	3,123.2	2,998.5	2,165.7	12,659.9	11,615.6	11,773.8	
	Profit Before Tax from discontinued operations (Agro Chemicals Division & Prescient Color Ltd.)	(57.5)	(17.3)	12.1	336.0	507.0	900.3	
	Total Profit Before Tax	3,065.7	2,981.2	2,177.8	12,995.9	12,122.6	12,674.1	
3	Capital Employed -							
	Segment Assets:							
	(a) Pigments	102,886.2	100,690.8	88,691.1	102,886.2	88,691.1	108,357.5	
	(b) Discontinued Operations (Agro Chemicals)	2,252.4	4,487.6	6,769.2	2,252.4	6,769.2	2,252.4	
	(c) Discontinued Operations (Prescient Color Ltd.)	-	-	-	-	-	4,943.1	
	(d) Others	2,160.7	2,084.6	1,730.2	2,160.7	1,730.2	10,549.4	
	(e) Unallocated	9,317.2	10,598.7	10,426.5	9,317.2	10,426.5	3,399.8	
	Total Segment Assets :	116,616.5	117,861.7	107,617.0	116,616.5	107,617.0	129,878.2	
	Segment Liabilities:							
	(a) Pigments	26,814.8	25,486.6	23,576.5	26,814.8	23,576.5	27,492.4	
	(b) Discontinued Operations (Agro Chemicals)	1,395.4	888.0	2,902.6	1,395.4	2,902.6	1,395.4	
	(c) Discontinued Operations (Prescient Color Ltd.)	-	-	-	-	-	1,020.8	
	(d) Others	132.3	275.6	129.2	132.3	129.2	5,926.4	
	(e) Unallocated	1,343.7	1,316.8	1,601.0	1,343.7	1,601.0	1,343.7	
	Total Segment Liabilities :	29,686.2	27,967.0	28,209.3	29,686.2	28,209.3	37,178.7	
	Total Capital Employed :	86,930.3	89,894.7	79,407.7	86,930.3	79,407.7	84,465.9	

(Rs. in Lakhs)

Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
A ASSETS				
1 Non-current Assets				
(a) Property, plant and equipment	44,953.1	40,439.7	45,269.6	43,032.3
(b) Capital work-in-progress	556.7	774.8	556.7	775.4
(c) Goodwill	287.7	287.7	972.1	972.1
(d) Other Intangible assets	1,272.0	1,112.4	1,295.7	1,168.0
(e) Intangible assets under development	-	27.5	-	27.5
(f) Investment in subsidiaries	5,283.3	5,439.8	-	-
(g) Financial assets				
(i) Investments	48.9	47.5	48.9	47.5
(ii) Loans	85.5	78.5	93.9	86.9
(iii) Other Financial Assets	-	581.4	-	581.4
(h) Deferred Tax Assets (net)	-	-	703.9	855.2
(i) Other non-current assets	2,119.8	3,299.5	2,119.9	3,249.8
(j) Non-current tax assets (net)	981.9	1,092.3	1,049.0	1,162.5
Total - Non-current Assets	55,588.9	53,181.1	52,109.7	51,958.6
2 Current Assets				
(a) Inventories	19,552.9	18,674.4	27,291.7	26,068.2
(b) Investment in subsidiary (held for sale)	634.1	-	-	-
(c) Financial assets				
(i) Trade receivables	29,986.2	28,682.5	33,329.9	34,291.5
(ii) Cash and cash equivalents	382.2	819.3	666.1	1,015.8
(iii) Bank balances other than (ii) above	753.1	474.4	753.1	510.3
(iv) Loans	300.0	648.0	-	-
(v) Derivatives	3.7	335.9	3.7	335.9
(vi) Other Financial Assets	239.4	237.8	943.4	203.3
(d) Other current assets	6,923.5	4,563.6	8,289.0	5,777.7
	58,775.1	54,435.9	71,276.9	68,202.7
Assets classified as held for sale	2,252.4	-	7,684.0	-
Total - Current Assets	61,027.5	54,435.9	78,960.9	68,202.7
TOTAL - ASSETS	116,616.4	107,617.0	131,070.6	120,161.3
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	1,384.5	1,384.5	1,384.5	1,384.5
(b) Other Equity	43,853.6	38,026.8	42,612.2	36,721.1
Total - Equity	45,238.1	39,411.3	43,996.7	38,105.6
2 Non-current Liabilities				
(a) Financial liabilities				
(i) Borrowings	18,198.1	13,524.9	18,198.5	14,239.7
(ii) Other financial liabilities	173.2	342.2	183.0	320.3
(b) Provisions	1,627.1	1,656.1	1,742.7	1,839.9
(c) Deferred tax liabilities (Net)	5,179.5	3,957.7	5,179.5	3,957.7
Total - Non-current Liabilities	25,177.9	19,480.9	25,303.7	20,357.6
3 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	11,331.7	13,661.6	17,915.3	19,852.1
(ii) Trade payables	22,492.2	21,735.2	26,441.1	26,993.0
(iii) Derivatives	184.8	64.7	184.8	64.7
(iv) Other current financial liabilities	9,572.2	11,247.7	9,929.8	11,798.4
(b) Other current liabilities	586.5	1,608.1	2,570.1	2,457.2
(c) Provisions	265.6	141.7	293.4	246.9
(d) Current tax liabilities (net)	372.0	265.8	403.3	285.8
	44,805.0	48,724.8	57,737.8	61,698.1
Liabilities associated with group of assets classified as held for sale	1,395.4	-	4,032.4	-
Total - Current Liabilities	46,200.4	48,724.8	61,770.2	61,698.1
TOTAL - EQUITY AND LIABILITIES	116,616.4	107,617.0	131,070.6	120,161.3

NOTES :

- The above Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 24th May, 2018. These audited 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 consolidated financial results include the Financial Results of the wholly owned subsidiaries viz. Prescient Color Limited, 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 adopted Ind-AS from 1st April, 2017 and accordingly the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. Accordingly, the impact on transition has been recorded in opening reserves as at 1st April, 2016 and all periods presented have been restated.
- The Company is in the process of identifying prospective buyers for its Agro Chemical trading business, and its subsidiary, Prescient Color Limited, to be sold on a going concern basis. While these businesses continue to operate their existing operations, pursuant to the requirements of Ind AS 105 – "Non current assets held for sale and discontinued operations", these have been classified as held for sale / discontinued operations. The results (profit/ (loss)) of these businesses have been presented separately and all previous comparative periods have been aligned to conform to this presentation.
- Other operating income for the year and the quarter ended 31st March, 2017 includes Rs. 1,014 Lakhs and Rs 303 Lakhs respectively of Export Incentive income related to Merchandise Export Incentive Scheme (MEIS), for the period upto 31st March, 2016.
- The reconciliation of net profit / other equity reported in accordance with IGAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	(Rs. in Lakhs)				
	Standalone		Equity	Consolidated	
	Profit Reconciliation		Reconciliation	Profit Reconciliation	Equity Reconciliation
	Quarter Ended	Year Ended	As at	Year Ended	As at
	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Net profit / Other Equity under IGAAP	1,908.8	8,941.0	38,162.4	10,340.3	38,076.6
Re-measurement (gains) / losses on post employment benefit obligations recognised in Other Comprehensive Income	(133.4)	82.6	-	179.4	-
Goodwill amortization written back	20.5	82.2	82.2	259.4	259.4
Effect of measuring financial liabilities initially at fair value and subsequently at amortized cost	(16.0)	(72.7)	155.6	(73.7)	158.4
Amortization of financial guarantee initially measured at fair value	32.9	129.7	129.7	-	-
Effect of fair valuation of derivatives	(22.4)	(117.9)	(116.2)	(117.9)	(116.2)
Provision for expected credit loss on trade receivables	(65.0)	(65.0)	(145.4)	210.1	(1,053.4)
Provision for constructive obligations	(105.6)	(105.6)	(376.1)	(120.6)	(426.1)
Effect of measuring investments at fair value through profit and loss	0.3	6.8	17.8	6.8	17.8
Deferred tax on unrealised profit	-	-	-	(83.5)	69.5
Tax effects of above adjustments	124.4	46.2	116.8	(137.8)	373.7
Other previous GAAP Adjustments	-	-	-	(327.0)	(638.6)
Net Profit / Other Equity as per Ind AS	1,744.6	8,927.4	38,026.8	10,135.5	36,721.1
Other comprehensive Income (Net of Income Tax)	87.3	(54.0)	-	(308.9)	-
Total Comprehensive Income as per Ind AS	1,831.9	8,873.4		9,826.6	

- In accordance with the requirements of Ind AS, revenue for the quarters ended 31st March, 2018 and 31st December, 2017 and year ended 31st March, 2018 is net of Goods and Service Tax (GST). However, revenue for the quarter and year ended 31st March, 2017 is inclusive of excise duty. Hence revenue and excise duty on sale of goods for the quarters ended 31st March, 2018 and 31st December, 2017 and the year ended 31st March, 2018 are not comparable with corresponding figures for previous periods. Comparable revenue (net of excise duty and GST) is as follows:

Particulars	(Rs. in Lakhs)					
	Standalone		Consolidated for the Year Ended			
	Quarter Ended	Year Ended	Year Ended	Year Ended		
	31.03.2018	31.12.2017	31.03.2017	31.03.2017	31.03.2018	31.03.2017
Revenue from Operations (as published)	37,729.2	31,854.4	30,142.5	132,183.9	118,161.3	145,425.3
Less: Excise duty collected on revenue	-	-	2,403.0	2,268.6	8,717.2	2,338.9
Comparable Revenue from Operations	37,729.2	31,854.4	27,739.5	129,915.3	109,444.1	143,086.4

Similarly, post applicability of GST, the inventory of finished goods as at 31st March, 2018 and 31st December, 2017 is net of provision for excise duty and similarly, Changes in inventories of finished goods, work-in-progress and stock-in-trade and Other expenses for the aforementioned periods are not comparable with the corresponding figures for previous periods. Comparable Change in inventories and Other Expenses (net of excise duty provision) is as follows:

Particulars	(Rs. in Lakhs)					
	Standalone		Consolidated for the Year Ended			
	Quarter Ended	Year Ended	Year Ended	Year Ended		
	31.03.2018	31.12.2017	31.03.2017	31.03.2017	31.03.2018	31.03.2017
Cost of materials consumed	21,280.8	17,407.6	16,720.7	76,908.8	64,754.1	83,349.7
Purchase of Stock-in-trade	12.7	4.7	9.5	18.0	30.7	1,603.6
Changes in inventories	1,561.5	1,788.5	585.8	347.6	(1,292.8)	(1,073.0)
Cost of goods sold (as published)	22,855.0	19,200.8	17,316.0	77,274.4	63,492.0	83,880.3
Less: Increase / (decrease) in Excise duty provision on finished goods	-	-	148.3	(662.3)	(208.7)	(662.3)
Comparable cost of goods sold	22,855.0	19,200.8	17,464.3	76,612.1	63,283.3	83,218.0
Other Expenses (as published)	7,920.6	6,669.6	6,712.8	27,357.5	25,179.9	31,402.8
Less: Increase / (decrease) in Excise duty provision on finished goods	-	-	148.3	(662.3)	(208.7)	(662.3)
Comparable other expenses	7,920.6	6,669.6	6,564.5	28,019.8	25,388.6	32,065.1

- The Board has recommended Final Dividend at Rs. 1.00/- per share (50%) on the face value of Rs. 2.00/- per share for the Financial Year 2017-18 subject to the approval of the shareholders in the ensuing Annual General Meeting. Together with the Interim Dividend of Rs. 2.50/- per share (125%) paid on 5th March, 2018, the total dividend for the Financial Year ended 2017-18 works out to Rs. 3.50/- (175%) per share of Rs. 2.00/- each.
- The figures for the quarter ended 31st March, 2018 and the corresponding quarter ended in the previous year 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.
- Previous period's / year's figures have been regrouped / reclassified wherever necessary to conform to the current period's classification / disclosure .
- The aforesaid Audited 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