

30th May, 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code - 506655
Scrip Code NCDs - 974058

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

Dear Sir / Madam,

Sub: Delay in submission of audited financial results in terms of Regulation 33 of SEBI Listing Regulations, 2015

Sudarshan Chemical Industries Limited (“the Company”) entered into a definitive agreement on October 11, 2024, through its wholly owned subsidiary Sudarshan Europe B.V., the Netherlands (“SEBV”), to acquire the Global Pigment Business Operations of the Heubach Group of Germany (“Heubach Group”). Pursuant to the acquisition, the Company has acquired and taken control of 50 direct and step-down subsidiaries and 17 manufacturing sites from Heubach Group across various geographies across the globe.

Prior to acquisition by the Company, in April 2024, the German entities of the Heubach Group viz. a) Heubach Colorants Germany GmbH, (b) Heubach GmbH (c) Dr. Hans Heubach GmbH, and (iv) Heubach Group GmbH were declared insolvent and the Insolvency Administrator administered the process of sale of assets and business operations of German Entities in terms of provisions of the German Insolvency Law.

The acquisition was completed by SEBV on March 03, 2025 (“Closing Date”). Prior to this acquisition, the Company had 8 direct and step-down subsidiaries.

In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to submit audited financial results for FY 2024-25, including the newly acquired subsidiaries, by May 30, 2025. However, because of the following key reasons we would not be able to meet this deadline:

1. Insolvency Impact:

Prior to acquisition, the German entities were declared insolvent and were under the control of the Administrator appointed by German regulatory authorities. This delayed the financial statement closure process for respective subsidiaries for Calendar Year 2023 and 2024.

Post completion of the acquisition and obtaining control of the entities, the Company has immediately taken steps to complete the preparation of the financial statements of the entities within the Heubach Group as of the Closing Date for business combination accounting and March 31, 2025.

2. Extensive financial reporting integration:

Post completion of such acquisition (nearing the financial year-end) extensive financial integration activities are being undertaken which are inherently time-consuming. Financial reporting integration challenges include:

- Different ERP systems across legacy Sudarshan and the Heubach Group.
- Alignment of various financial policies and GAAP differences across multiple countries.
- Anti-trust law limitations restricting access to financial data pre-closure.
- Translation of critical local language documents and records for accounting and audit purposes.

Sudarshan Chemical Industries Limited

Registered Office: 7th Floor, Eleven West Panchshil, Survey No 25, Near PAN Card Club Road, Baner, Pune 411 069, Maharashtra, India
T: +91 20 6828 1200 | E: contact@sudarshan.com | www.sudarshan.com | CIN: L24119PN1951PLC008409

3. Complexities involved in business combination accounting:

The acquisition involves both an asset and share-purchase deal involving multiple companies and group structures, thereby making business combination accounting complex and time-consuming. We are in the process of performing fair valuation of assets and liabilities of the acquired entities as per Ind AS 103 “Business Combinations”, which is essential for the preparation of consolidated financial results and consolidated financial statements.

In view of the above-mentioned factors, we have applied to the Stock Exchanges for grant of an extension for submission of the audited financial results for the year ended March 31, 2025 as per SEBI Regulations. The Company shall declare its financial results for financial year ended March 31, 2025 post completion of the above-mentioned activities and the intimation about the same shall be provided to the Stock Exchanges in due course.

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Company’s Code of Conduct for Prevention of Insider Trading, the Trading Window for dealing in securities of the Company shall remain closed till the declaration of financial results of the Company for financial year ended March 31, 2025 and forty-eight (48) hours thereafter.

Kindly take the same on record.

Thanking You,
Yours Faithfully,

For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

MANDAR VELANKAR
GENERAL COUNSEL AND COMPANY SECRETARY