

4th November, 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 Financial Results (Standalone and Consolidated)
for the quarter and half year ended 30th September, 2019**

Pursuant to the provisions of Regulation 30 (read with Part A of Schedule III) and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30th September, 2019, duly approved and taken on record by the Board of Directors of the Company at its meeting held today i.e. on Monday, 4th November, 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 10.30 a.m. and concluded at 4.10 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

Sudarshan Chemical Industries Limited

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SUDARSHAN CHEMICAL INDUSTRIES LIMITED

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CIN : L24119PN1951PLC008409

PART I - STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER 2019

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
	Continuing Operations						
1	Income from operations						
	(a) Revenue from Operations	37,543.1	37,681.7	35,745.4	75,224.8	69,263.9	1,40,950.0
	(b) Other operating income (includes government grants)	676.2	616.8	681.3	1,293.0	1,207.2	2,336.1
	Total income from operations	38,219.3	38,298.5	36,426.7	76,517.8	70,471.1	1,43,286.1
2	Other income (net)	106.2	88.3	134.8	194.5	220.1	608.9
3	Total Income (1 + 2)	38,325.5	38,386.8	36,561.5	76,712.3	70,691.2	1,43,895.0
4	Expenses						
	(a) Cost of materials consumed	23,837.7	22,449.6	23,767.4	46,287.3	47,056.4	89,586.0
	(b) Purchase of Stock-in-trade	16.3	-	-	16.3	-	28.7
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,501.7)	613.6	(1,928.8)	(888.1)	(6,010.2)	(3,321.6)
	(d) Employee benefits expense	2,574.0	2,420.0	2,275.6	4,994.0	4,583.7	9,482.6
	(e) Finance costs	306.0	291.3	224.7	597.3	600.2	1,384.7
	(f) Depreciation and amortisation expense	1,680.9	1,685.2	1,584.5	3,366.1	3,165.9	6,482.2
	(g) Other expenses (refer note 9)	7,077.2	6,511.3	7,477.3	13,588.5	14,036.6	27,304.4
	Total expenses (4)	33,990.4	33,971.0	33,340.7	67,961.4	63,432.6	1,30,947.0
5	Profit before tax and exceptional items from continuing operations (3 - 4)	4,335.1	4,415.8	3,220.8	8,750.9	7,258.6	12,948.0
6	Exceptional Items						
	- Profit / (loss) on sale of subsidiary / division	-	1,932.9	497.2	1,932.9	9,420.6	9,408.6
	- Impairment of investment in subsidiary	-	-	-	-	-	(1,072.8)
	Exceptional Items (Refer Note 3 and 4)	-	1,932.9	497.2	1,932.9	9,420.6	8,335.8
7	Profit before tax from continuing operations (5 + 6)	4,335.1	6,348.7	3,718.0	10,683.8	16,679.2	21,283.8
8	Tax expense						
	(a) Current Tax						
	- on Continuing Operations excluding exceptional items	985.4	1,252.5	757.7	2,237.9	1,867.8	4,151.5
	- on Exceptional Items	-	429.7	119.5	429.7	2,006.9	2,037.0
	(b) Deferred Tax	(999.2)	211.1	155.9	(788.1)	539.0	143.4
	Total Tax Expense (refer note 6 and 8)	(13.8)	1,893.3	1,033.1	1,879.5	4,413.7	6,331.9
9	Profit from continuing operations (7 - 8)	4,348.9	4,455.4	2,684.9	8,804.3	12,265.5	14,951.9
	Discontinued Operations						
10	Profit before tax from discontinued operations	-	(83.8)	438.1	(83.8)	341.3	313.4
11	Tax expense of discontinued operations	-	(29.3)	151.7	(29.3)	118.2	109.5
12	Profit after tax from discontinued operations (10 - 11)	-	(54.5)	286.4	(54.5)	223.1	203.9
13	Profit after tax (9 + 12)	4,348.9	4,400.9	2,971.3	8,749.8	12,488.6	15,155.8
14	Other comprehensive income						
	(a) Items that will not be reclassified to profit or loss						
	Re-measurement gains / (losses) on post employment benefits obligations	(52.0)	(128.9)	(20.2)	(180.9)	(43.2)	(313.7)
	Income tax relating to above	18.2	45.0	5.2	63.2	11.4	109.6
		(33.8)	(83.9)	(15.0)	(117.7)	(31.8)	(204.1)
	(b) Items that will be reclassified to profit or loss						
	Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(65.6)	(314.5)	(697.4)	(380.1)	(897.4)	773.4
	Income tax relating to above	22.9	109.9	297.5	132.8	297.5	(270.3)
		(42.7)	(204.6)	(599.9)	(247.3)	(599.9)	503.1
	Total Other comprehensive income (net of taxes) (14)	(76.5)	(288.5)	(614.9)	(365.0)	(631.7)	299.0
15	Total comprehensive income (13 + 14)	4,272.4	4,112.4	2,356.4	8,384.8	11,856.9	15,454.8
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						58,473.8
18	Earnings per share from continuing operations (Refer Note 4) *						
	(of Rs. 2/- each)						
	Basic	6.3	6.4	3.9	12.7	17.7	21.6
	Diluted	6.3	6.4	3.9	12.7	17.7	21.6
19	Earnings per share from discontinued operations *						
	(of Rs. 2/- each)						
	Basic	-	(0.1)	0.4	(0.1)	0.3	0.3
	Diluted	-	(0.1)	0.4	(0.1)	0.3	0.3
20	Earnings per share *						
	(of Rs. 2/- each)						
	Basic	6.3	6.3	4.3	12.6	18.0	21.9
	Diluted	6.3	6.3	4.3	12.6	18.0	21.9

* Not annualised

PART II - STATEMENT OF STANDALONE ASSETS AND LIABILITIES

(Rs. in Lakhs)

A	Particulars	As at 30.09.2019	As at 31.03.2019
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current Assets		
	(a) Property, plant and equipment	45,881.8	45,355.7
	(b) Capital work-in-progress	6,850.6	1,818.9
	(c) Other Intangible assets	1,275.7	1,073.8
	(d) Intangible assets under development	525.1	577.0
	(e) Investment in subsidiaries	2,394.0	2,394.0
	(f) Financial assets		
	i. Investments	1.0	1.0
	ii. Loans	69.4	64.9
	(g) Other non-current assets	3,981.6	2,962.6
	(h) Non-current tax assets (net)	127.5	50.9
	Total - Non-current Assets	61,106.7	54,298.8
2	Current Assets		
	(a) Inventories	27,332.4	24,759.7
	(b) Investment in subsidiary (held for sale)	1,816.5	1,816.5
	(c) Financial assets		
	i. Trade receivables	37,672.4	34,868.3
	ii. Cash and cash equivalents	143.0	190.7
	iii. Bank balances other than (ii) above	3,418.8	339.4
	iv. Loans	-	300.0
	v. Derivatives	423.1	718.4
	vi. Investments	5,000.0	-
	vii. Other financial assets	2,602.8	2,560.4
	(d) Other current assets	3,691.2	4,991.1
		82,100.2	70,544.5
	Assets classified as held for sale / disposal	-	1,505.5
	Total - Current Assets	82,100.2	72,050.0
	TOTAL - ASSETS	1,43,206.9	1,26,348.8
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,384.5	1,384.5
	(b) Other Equity	61,851.1	58,473.8
	Total - Equity	63,235.6	59,858.3
2	Non-current Liabilities		
	(a) Financial liabilities		
	i. Borrowings	22,981.2	11,313.5
	ii. Other financial liabilities	150.6	150.6
	(b) Provisions	1,519.7	1,422.2
	(c) Deferred tax liabilities (net)	4,624.8	5,412.9
	Total - Non-current Liabilities	29,276.3	18,299.2
3	Current Liabilities		
	(a) Financial Liabilities		
	i. Borrowings	13,519.7	13,397.1
	ii. Trade payables - Due of micro and small enterprise	359.0	319.1
	ii. Trade payables - Others	26,263.0	23,338.2
	iii. Derivatives	150.4	118.7
	iv. Other financial liabilities	9,282.6	8,819.9
	(b) Other current liabilities	430.5	382.0
	(c) Provisions	478.2	282.2
	(d) Current tax liabilities (net)	211.6	802.1
		50,695.0	47,459.3
	Liabilities associated with group of assets classified as held for sale / disposal	-	732.0
	Total - Current Liabilities	50,695.0	48,191.3
	TOTAL - EQUITY AND LIABILITIES	1,43,206.9	1,26,348.8

PART III - STATEMENT OF STANDALONE CASH FLOW

(Rs. in Lakhs)

Particulars	Six Months Ended	
	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)
Cash flow from operating activities		
Profit before tax and exceptional items from continuing operations	8,750.9	7,258.6
Adjustment for		
Depreciation / amortization	3,366.1	3,165.9
Unrealized foreign exchange Loss / (Gain)	(804.4)	859.0
Fair value (Gain) / Loss on derivatives	327.0	(140.6)
Provision for expected credit loss and bad debts	238.0	139.7
Finance costs	597.3	600.2
Interest income	(129.6)	(195.7)
Others	(6.1)	16.5
Operating profit before working capital changes	12,339.2	11,703.6
Working capital adjustments :		
Increase / (decrease) in liabilities and provisions	3,581.9	9,761.4
Decrease / (increase) in current and other non-current assets	(6,908.1)	(15,836.0)
Cash generated from operations	9,013.0	5,629.0
Income taxes paid (net of refunds)	(2,679.7)	(225.1)
Net cash flow from operating activities from continuing operations	6,333.3	5,403.9
Net cash flow (used in)/ from operating activities from discontinued operations	(83.8)	340.3
A Net cash flow from operating activities from continuing and discontinued operations	6,249.5	5,744.2
Cash flows from investing activities :		
Purchase of property, plant and equipments	(9,523.0)	(3,450.3)
Proceeds from sale of division and subsidiary, net of incidental expenses and taxes	2,276.7	7,057.6
Investments in Mutual funds/ Gain from mutual funds	(5,000.0)	0.7
Interest received	129.6	195.7
Others	442.7	22.1
Net cash flow (used in)/ from investing activities from continuing operations	(11,674.0)	3,825.8
Net cash flow (used in)/ from investing activities from discontinued operations	-	884.6
B Net cash flow (used in)/ from investing activities from continuing and discontinued operations	(11,674.0)	4,710.4
Cash flows from financing activities :		
Proceeds from long-term borrowings	15,409.5	318.7
Repayment of long-term borrowings	(4,620.3)	(5,117.3)
Dividend and tax thereon	(4,937.7)	(822.7)
Proceeds/ (Repayment) from short-term borrowings (net)	122.6	(4,382.7)
Finance costs paid	(597.3)	(600.2)
Net cash flow (used in)/ from financing activities from continuing operations	5,376.8	(10,604.2)
Net cash flow (used in)/ from financing activities from discontinued operations	-	-
C Net cash flow (used in)/ from financing activities from continuing and discontinued operations	5,376.8	(10,604.2)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(47.7)	(149.6)
Cash and cash equivalents at the beginning of the period	190.7	382.2
Cash and cash equivalents at the end of the period	143.0	232.6

NOTES :

1. 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 4th November, 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.
2. The "Limited Review" of the Standalone Financial Results for the quarter and six months ended 30th September, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been carried out by the Statutory Auditors.
3. The Company entered into a Business Transfer Agreement dated 12th 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" in the period ended 30th June, 2019. 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	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Revenue						
Agro Chemicals	-	-	1,341.6	-	3,491.6	3,687.3
Industrial Mixing Solution Division	-	36.2	1,283.7	36.2	1,494.6	3,230.9
Total Revenue	-	36.2	2,625.3	36.2	4,986.2	6,918.2
Profit Before Tax						
Agro Chemicals	-	-	16.2	-	26.2	(213.5)
Industrial Mixing Solution Division	-	(83.8)	421.9	(83.8)	315.1	526.9
Total Profit Before Tax	-	(83.8)	438.1	(83.8)	341.3	313.4

4. 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. During the year ended 31st March, 2019, the Company assessed its investment in RIECO Industries Limited and consequently provided for impairment amounting to Rs. 1,072.8 Lakhs. The Company reviewed the performance of RIECO Industries Limited for the period ended 30th September, 2019, based on the review, there is no further impairment required. Also during the current period, the Company has assessed the impact of newly enacted Section 115BAA of the Income Tax Act, 1961, this has resulted in reversal of deferred tax expense in the quarter and six months ended 30th September, 2019. (Refer Note 8)
The table below explains the impact of these transaction on the profit and earnings per share:

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Profit before tax and exceptional items from continuing operations	4,335.1	4,415.8	3,220.8	8,750.9	7,258.6	12,948.0
Tax expense excluding tax on exceptional items	(13.8)	1,463.6	913.6	1,449.8	2,406.8	4,294.9
Reversal of deferred tax expense (refer note 8 below)	1,083.5	-	-	1,083.5	-	-
Profit from continuing operations excluding exceptional items	3,265.4	2,952.2	2,307.2	6,217.6	4,851.8	8,653.1
Basic and diluted Earnings per share from continuing operations (excluding exceptional items)	4.7	4.3	3.3	9.0	7.0	12.5
	Not annualised					

5. Effective 1st 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.
6. The tax expense for the year ended 31st March 2019 is net of reversals pertaining to previous years amounting to Rs. 90 Lakhs.
7. The principal business of the Company is of manufacturing and sale of Pigments. 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. Pigments.
8. The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company has evaluated and expects to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 in a subsequent financial year. Accordingly, the Company has estimated the reversal of the deferred tax asset / liabilities until the date of exercise of the option and sums that reverse subsequent to exercise of the option. The effect of this change has been recognised in tax expense for the quarter and six months ended 30th September, 2019 on an effective tax basis. This has resulted in reversal of deferred tax expense of Rs. 1,083.5 Lakhs, which has been recorded in quarter and half year period ended 30th September 2019 on account of remeasurement of deferred tax liability.
9. Other expenses includes foreign exchange (gain)/ loss for the period.

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Foreign Exchange (Gain)/ Loss	(388.5)	(281.2)	298.4	(669.7)	(20.3)	29.7

10. The previous period's numbers have been regrouped wherever necessary to meet current period's classification.
11. The aforesaid Unaudited Standalone 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

Pune : 4th November, 2019

B S R & Associates LLP

Chartered Accountants

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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 September 2019 and year to date results for the period from 1 April 2019 to 30 September 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.



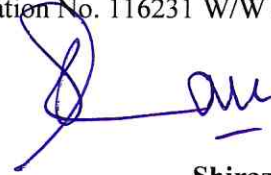
Limited Review Report on Unaudited Quarterly Standalone Financial Results of Sudarshan Chemical Industries Limited under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

4. 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: 19103334AAAA001589

Place: Pune

Date: 4 November 2019

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

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CIN : L24119PN1951PLC008409

PART I - STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER 2019

Sr. No.	Particulars	Quarter Ended			Six Months Ended		(Rs. in Lakhs)
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	Year Ended 31.03.2019 (Audited)
	Continuing Operations						
1	Income from operations						
	(a) Revenue from Operations	39,350.5	39,026.0	35,597.9	78,376.5	71,087.9	1,45,314.9
	(b) Other operating income (includes government grants)	676.2	616.8	681.3	1,293.0	1,207.2	2,336.1
	Total income from operations	40,026.7	39,642.8	36,279.2	79,669.5	72,295.1	1,47,651.0
2	Other income (net)	106.6	88.3	163.0	194.9	264.4	630.7
3	Total Income (1 + 2)	40,133.3	39,731.1	36,442.2	79,864.4	72,559.5	1,48,281.7
4	Expenses						
	(a) Cost of materials consumed	23,571.1	22,245.3	23,127.6	45,816.4	46,242.2	87,223.8
	(b) Purchase of Stock-in-trade	430.8	661.1	1,056.7	1,091.9	1,818.3	3,229.1
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,035.9)	179.6	(3,435.1)	(856.3)	(7,226.8)	(4,455.4)
	(d) Employee benefits expense	3,316.8	3,223.0	2,669.3	6,539.8	5,666.8	11,309.9
	(e) Finance costs	331.4	326.7	257.1	658.1	684.1	1,516.8
	(f) Depreciation and amortisation expense	1,688.9	1,687.4	1,586.3	3,376.3	3,169.2	6,489.7
	(g) Other expenses (refer note 11)	7,439.8	6,874.4	8,017.2	14,314.2	15,015.4	29,328.9
	Total expenses (4)	35,742.9	35,197.5	33,479.1	70,940.4	65,349.2	1,34,638.8
5	Profit before tax and exceptional items from continuing operations (3 - 4)	4,390.4	4,533.6	2,963.1	8,924.0	7,210.3	13,642.9
6	Exceptional Items						
	- Profit / (loss) on sale of subsidiary / division	-	1,932.9	497.2	1,932.9	7,239.0	7,227.0
	Exceptional Items (Refer Note 4 and 5)	-	1,932.9	497.2	1,932.9	7,239.0	7,227.0
7	Profit before tax from continuing operations (5 + 6)	4,390.4	6,466.5	3,460.3	10,856.9	14,449.3	20,869.9
8	Tax expense						
	(a) Current Tax						
	- on Continuing Operations excluding exceptional items	1,079.7	1,309.3	784.9	2,389.0	1,932.7	4,344.9
	- on Exceptional Items	-	429.7	119.5	429.7	2,006.9	2,037.0
	(b) Deferred Tax	(1,022.3)	187.2	182.3	(835.1)	620.8	513.6
	Total Tax Expense (refer note 7 and 10)	57.4	1,926.2	1,086.7	1,983.6	4,560.4	6,895.5
9	Profit from continuing operations (7 - 8)	4,333.0	4,540.3	2,373.6	8,873.3	9,888.9	13,974.4
	Discontinued Operations						
10	Profit before tax from discontinued operations	306.9	(299.1)	239.0	7.8	(615.5)	(434.0)
11	Tax expense of discontinued operations	18.9	(29.3)	151.7	(10.4)	136.3	30.5
12	Profit after tax from discontinued operations (10 - 11)	288.0	(269.8)	87.3	18.2	(751.8)	(464.5)
13	Profit after tax (9 + 12)	4,621.0	4,270.5	2,460.9	8,891.5	9,137.1	13,509.9
14	Other comprehensive income						
	(a) Items that will not be reclassified to profit or loss						
	Re-measurement gains / (losses) on post employment benefits obligations	(52.0)	(128.9)	(20.2)	(180.9)	(43.2)	(434.2)
	Income tax relating to above	18.2	45.0	5.2	63.2	11.4	140.9
		(33.8)	(83.9)	(15.0)	(117.7)	(31.8)	(293.3)
	(b) Items that will be reclassified to profit or loss						
	Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(65.6)	(314.5)	(897.4)	(380.1)	(897.4)	773.4
	Gain / (loss) on translation of foreign operations	182.3	29.3	166.5	211.6	245.1	34.0
	Income tax relating to above	22.9	109.9	297.5	132.8	297.5	(270.3)
		139.6	(175.3)	(433.4)	(35.7)	(354.8)	537.1
	Total Other comprehensive income (net of taxes) (14)	105.8	(259.2)	(448.4)	(153.4)	(386.6)	243.8
15	Total comprehensive income (13 + 14)	4,726.8	4,011.3	2,012.5	8,738.1	8,750.5	13,753.7
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						55,386.8
18	Earnings per share from continuing operations (Refer Note 5) *						
	(of Rs. 2/- each)						
	Basic	6.3	6.6	3.4	12.8	14.3	20.2
	Diluted	6.3	6.6	3.4	12.8	14.3	20.2
19	Earnings per share from discontinued operations *						
	(of Rs. 2/- each)						
	Basic	0.4	(0.4)	0.1	(0.1)	(1.2)	(0.7)
	Diluted	0.4	(0.4)	0.1	(0.1)	(1.2)	(0.7)
20	Earnings per share *						
	(of Rs. 2/- each)						
	Basic	6.7	6.2	3.5	12.7	13.1	19.5
	Diluted	6.7	6.2	3.5	12.7	13.1	19.5

* Not annualised

PART II - STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(Rs. in Lakhs)

	Particulars	As at 30.09.2019	As at 31.03.2019
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current Assets		
	(a) Property, plant and equipment	45,955.8	45,422.3
	(b) Capital work-in-progress	6,850.6	1,818.9
	(c) Goodwill		-
	(d) Other Intangible assets	1,275.7	1,073.8
	(e) Intangible assets under development	525.1	577.0
	(f) Financial assets		
	i. Investments	1.0	1.0
	ii. Loans	78.7	74.0
	(g) Deferred Tax Assets (net)	254.6	207.6
	(h) Other non-current assets	3,981.6	2,962.6
	(i) Non-current tax assets (net)	12.3	176.6
	Total - Non-current Assets	58,935.4	52,313.8
2	Current Assets		
	(a) Inventories	33,309.3	30,766.1
	(b) Financial assets		
	i. Trade receivables	36,292.5	34,614.5
	ii. Cash and cash equivalents	526.3	474.7
	iii. Bank balances other than (ii) above	3,418.8	339.4
	iv. Derivatives	423.1	718.4
	v. Investments	5,000.0	-
	vi. Other financial assets	2,617.5	2,543.9
	(c) Other current assets	3,734.5	5,140.7
		85,322.0	74,597.7
	Assets classified as held for sale / disposal	7,535.4	9,130.9
	Total - Current Assets	92,857.4	83,728.6
	TOTAL - ASSETS	1,51,792.8	1,36,042.4
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	1,384.5	1,384.5
	(b) Other Equity	59,117.3	55,386.8
	Total - Equity	60,501.8	56,771.3
2	Non-current Liabilities		
	(a) Financial liabilities		
	i. Borrowings	22,981.2	11,313.5
	ii. Other financial liabilities	150.6	150.6
	(b) Provisions	1,519.7	1,422.2
	(c) Deferred tax liabilities (net)	4,874.7	5,662.8
	Total - Non-current Liabilities	29,526.2	18,549.1
3	Current Liabilities		
	(a) Financial Liabilities		
	i. Borrowings	18,288.1	18,993.1
	ii. Trade payables - Due of micro and small enterprise	359.0	319.1
	ii. Trade payables - Others	26,021.8	23,896.1
	iii. Derivatives	150.4	118.7
	iv. Other financial liabilities	9,259.5	8,839.1
	(b) Other current liabilities	611.4	486.9
	(c) Provisions	478.2	282.2
	(d) Current tax liabilities (net)	211.6	870.0
		55,380.0	53,805.2
	Liabilities associated with group of assets classified as held for sale / disposal	6,384.8	6,916.8
	Total - Current Liabilities	61,764.8	60,722.0
	TOTAL - EQUITY AND LIABILITIES	1,51,792.8	1,36,042.4

PART III - STATEMENT OF CONSOLIDATED CASH FLOW

(Rs. in Lakhs)

Particulars	Six Months Ended	
	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)
Cash flow from operating activities		
Profit before tax and exceptional items from continuing operations	8,924.0	7,210.3
Adjustment for		
Depreciation / amortization	3,376.3	3,169.2
Unrealized foreign exchange Loss / (Gain)	(804.4)	859.0
Fair value (Gain) / Loss on derivatives	327.0	(140.6)
Provision for expected credit loss and bad debts	284.5	139.7
Finance costs	658.1	664.1
Interest income	(129.6)	(197.5)
Others	40.8	18.9
Operating profit before working capital changes	12,676.7	11,723.1
Working capital adjustments :		
Increase / (decrease) in liabilities and provisions	2,381.1	10,051.5
Decrease / (increase) in current and other non-current assets	(5,123.8)	(17,011.9)
Cash generated from operations	9,934.0	4,762.7
Income taxes paid (net of refunds)	(2,676.7)	(404.1)
Net cash flow from operating activities from continuing operations	7,257.3	4,358.6
Net cash flow (used in)/ from operating activities from discontinued operations	682.7	801.4
A Net cash flow from operating activities from continuing and discontinued operations	7,940.0	5,160.0
Cash flows from investing activities :		
Purchase of property, plant and equipments	(9,424.5)	(3,298.3)
Proceeds from sale of division and subsidiary, net of incidental expenses and taxes	2,276.7	7,057.6
Investment in mutual funds/ gain on mutual funds	(5,000.0)	5.4
Interest received	129.6	197.5
Others	140.7	19.9
Net cash flow (used in)/ from investing activities from continuing operations	(11,877.5)	3,982.1
Net cash flow (used in)/ from investing activities from discontinued operations	(33.3)	-
B Net cash flow (used in)/ from investing activities from continuing and discontinued operations	(11,910.8)	3,982.1
Cash flows from financing activities :		
Proceeds from long-term borrowings	15,409.6	318.7
Repayment of long-term borrowings	(4,620.3)	(5,117.3)
Dividend and tax thereon	(4,937.7)	(967.1)
Proceeds/ (Repayment) from short-term borrowings (net)	(705.0)	(3,273.4)
Finance costs paid	(658.1)	(664.1)
Net cash flow (used in)/ from financing activities from continuing operations	4,488.5	(9,703.2)
Net cash flow (used in)/ from financing activities from discontinued operations	(466.1)	660.3
C Net cash flow (used in)/ from financing activities from continuing and discontinued operations	4,022.4	(9,042.9)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	51.6	99.2
Cash and cash equivalents at the beginning of the period	474.7	666.1
Cash and cash equivalents at the end of the period	526.3	765.3

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 4th November, 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 and six months ended 30th September, 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) (Hereinafter referred as "Group")
- The Group entered into a Business Transfer Agreement dated 12th 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" in the period ended 30th June, 2019. 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 Group 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			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Revenue						
Agro Chemicals	-	-	1,341.6	-	3,491.6	3,687.3
Industrial Mixing Solution Division	-	36.2	1,283.7	36.2	1,494.6	3,230.9
Prescient Color Limited	-	-	-	-	1,192.8	1,192.8
RIECO Industries Limited	2,458.9	1,426.5	2,764.0	3,885.4	4,893.7	11,653.8
Total Revenue	2,458.9	1,462.7	5,389.3	3,921.6	11,072.7	19,764.8
Profit Before Tax						
Agro Chemicals	-	-	16.2	-	26.2	(213.5)
Industrial Mixing Solution Division	-	(83.8)	421.9	(83.8)	315.1	526.9
Prescient Color Limited	-	-	-	-	49.0	49.0
RIECO Industries Limited	306.9	(215.3)	(199.1)	91.6	(1,005.8)	(796.4)
Total Profit Before Tax	306.9	(299.1)	239.0	7.8	(615.5)	(434.0)

- Exceptional item pertains to the gain (adjusted for the costs directly related to the transaction) from divestment of the Group'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)

Also during the current period, the Group has assessed the impact of newly enacted Section 115BAA of the Income Tax Act, 1961, this has resulted in reversal of deferred tax expense in the quarter and six months ended 30th September, 2019. (Refer Note 10)

The table below explains the impact of this transaction on the profit and earnings per share:

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Profit before tax and exceptional items from continuing operations	4,390.4	4,533.6	2,963.1	8,924.0	7,210.3	13,642.9
Tax expense excluding tax on exceptional items	57.4	1,496.5	967.2	1,553.9	2,553.5	4,858.5
Reversal of deferred tax expense (refer note 10 below)	1,083.5	-	-	1,083.5	-	-
Profit from continuing operations excluding exceptional items	3,249.5	3,037.1	1,995.9	6,286.6	4,656.8	8,784.4
Basic and diluted Earnings per share from continuing operations (excluding exceptional items)	4.7	4.4	2.9	9.1	6.7	12.7
Not annualised						

- Effective 1st April, 2019, the Group 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 Group.
- The tax expense for the year ended 31st March 2019 is net of reversals pertaining to previous years amounting to Rs. 90 Lakhs.
- The principal business of the Group is of manufacturing and sale of Pigments. The Board of Directors of the Group evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit. Accordingly it is concluded that there is only one operating reportable segment as defined by Ind AS 108, i.e. Pigments.
- As per SEBI Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018, the Group has prepared its Quarterly Consolidated Financial Results. This is the first year when the Group has prepared such quarterly results. As required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the comparative results for the corresponding quarter and previous period ended i.e. 30th September, 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 Group's affairs. These have not been subjected to review / audit.
- The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company has evaluated and expects to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 in a subsequent financial year. Accordingly, the Company has estimated the reversal of the deferred tax asset / liabilities until the date of exercise of the option and sums that reverse subsequent to exercise of the option. The effect of this change has been recognised in tax expense for the quarter and six months ended 30th September, 2019 on an effective tax basis. This has resulted in reversal of deferred tax expense of Rs. 1,083.5 Lakhs, which has been recorded in quarter and half year period ended 30th September 2019 on account of remeasurement of deferred tax liability.

- Other expenses includes foreign exchange (gain)/ loss for the period.

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Foreign Exchange (Gain)/ Loss	(405.6)	(250.7)	326.9	(656.3)	(29.2)	63.7

- The previous period's numbers have been regrouped wherever necessary to meet current period's classification.

- The aforesaid Unaudited Consolidated 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

B S R & Associates LLP

Chartered Accountants

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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 September 2019 and year to date results for the period from 1 April 2019 to 30 September 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 September 2018 and the corresponding period from 1 April 2018 to 30 September 2018, 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.



B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

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Mumbai - 400 011

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 3 subsidiaries which have not been reviewed, whose interim financial information reflect total assets of Rs 6,611.0 lakhs as at 30 September 2019 and total revenue of Rs.3,232.4 lakhs and Rs. 6,188.4 lakhs, total net loss after tax of Rs. 84.9 lakhs and Rs. 85.9 lakhs and total comprehensive income of Rs.132.4 lakhs and Rs.92.6 lakhs for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, and net cash inflows of Rs. 44.2 lakhs for the period from 1 April 2019 to 30 September 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. 116231 W/W - 100024

Shiraz Vastani

Partner

Membership No. 103334

ICAI UDIN: 19103334AAAADE8735

Place: Pune

Date: 4 November 2019