SUDARSHAN

16th December, 2016

DCS – Listing,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J.Towers,
Dalal Street, P.J.Towers,
Mumbai 4000 001

Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza,5th Floor,
Plot No.C/1,G Block,
Bandra Kurla Complex,Bandra (East),
Mumbai 400 051

Dear Sir,

Sub : INVESTORS / ANALYSTS CON CALL at 4.00 P.M. today (16/12/2016)

Ref : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Schedule III PART A

We enclose herewith the presentation which is being circulated to the Investors / Analysts for the proposed conference call scheduled today (16th December, 2016) at 4.00 P.M.

Kindly take the above on record and further arrange to publish the same in your website for the information of our shareholders, investors and public at large.

Thank you.

Yours truly,

For Sudarshan Chemical Industries Limited

P. S. Raghavan

P.S.Raghavan
Company Secretary

Encl : As above

SUDARSHAN CHEMICAL INDUSTRIES LTD. PUNE 1.

Sudarshan Chemical Industries Limited
Global Head Office :
162 Wellesley Road, Pune - 411 001, India
Tel: +91 20 260 58 888 Fax: +91 20 260 58 222
Email : contact@sudarshan.com
www.sudarshan.com

Corporate Identity No: L24119PN1951PLC008409

INVESTOR PRESENTATION

December 2016

SUDARSHAN

Safe-harbor statement

This presentation may contain statements which reflect Management's current views and estimates and could be construed as forward looking statements.

These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to our exposure to changes in general economic conditions, market, Foreign currency and other risks, changes in government policies/regulations, tax regimes as also technological changes.

The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of subsequent development, information or events or otherwise.

Contents

Group overview

Sudarshan journey

Quarterly financial results

Business outlook

SUDARSHAN

Contents

Group overview

SUDARSHAN

Sudarshan at glance

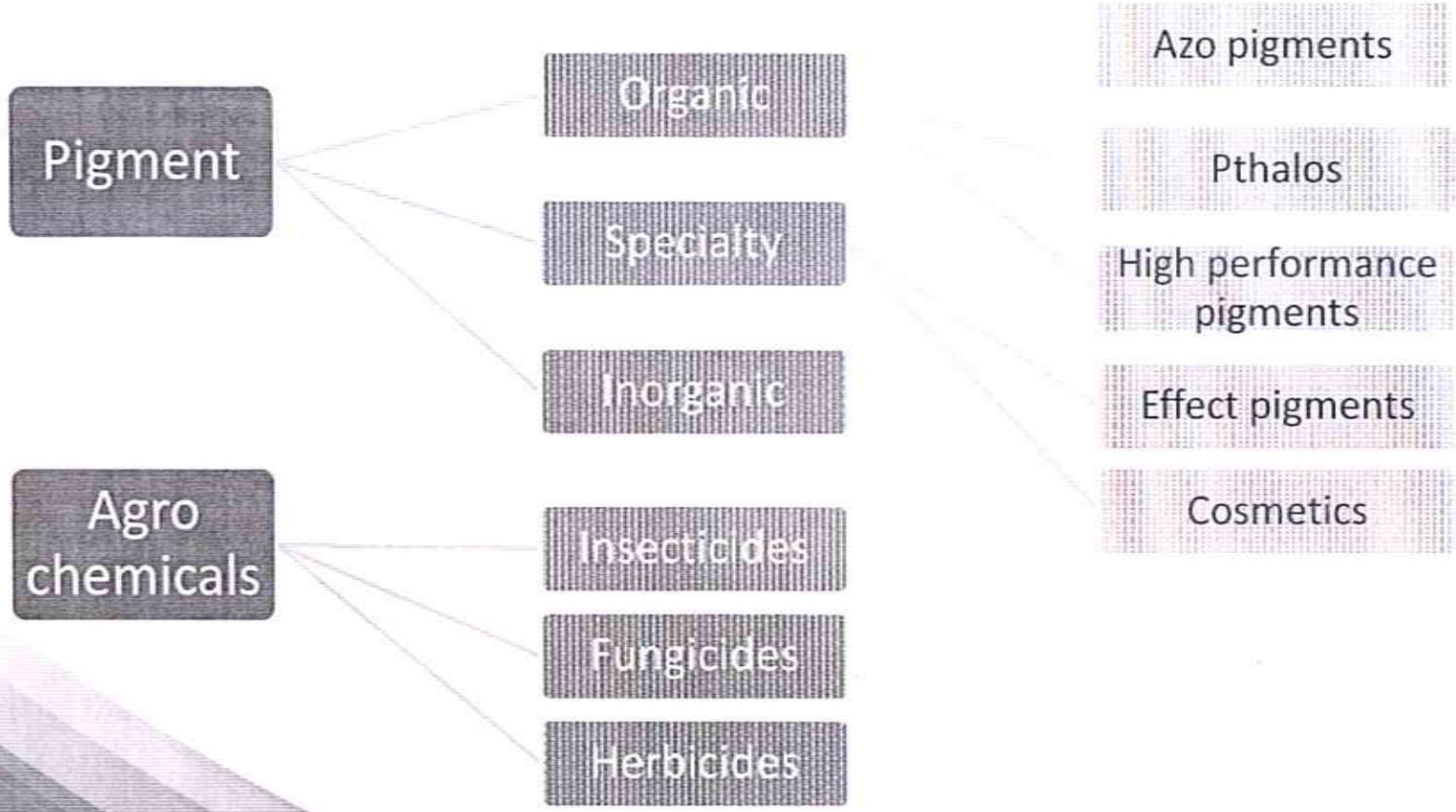
5th Largest Pigment Producer in the World	
Consolidated revenue	Global revenues of INR 1,409 crores (FY16)
Business segments	Pigment including effect pigments, Agro Chemicals
Employee strength	1000+ global employee base
Manufacturing base	Plants in Roha and Mahad
Geographical reach	Sales in more than 70 countries
Sales force	50+ member sales team and 60+ channel partners
Market capitalisation	More than INR 2,000 crores (Nov'16)

SUDARSHAN

Our Infrastructure - Global Presence

SUDARSHAN

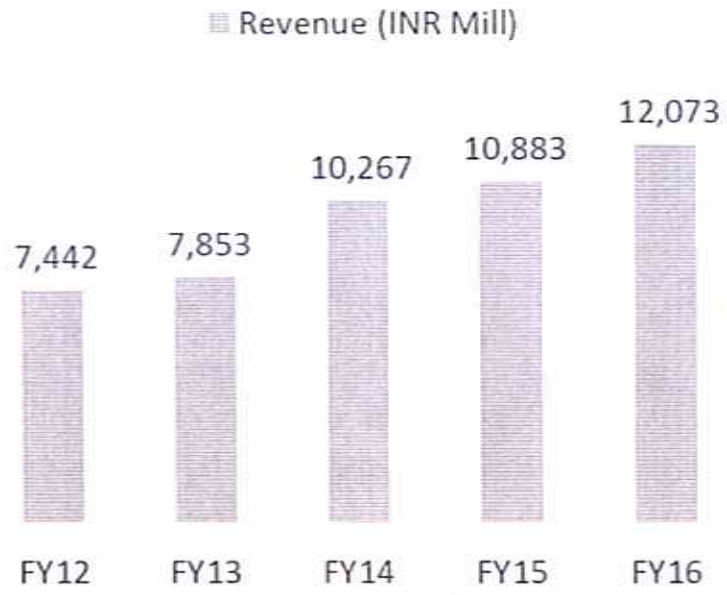
Product portfolio

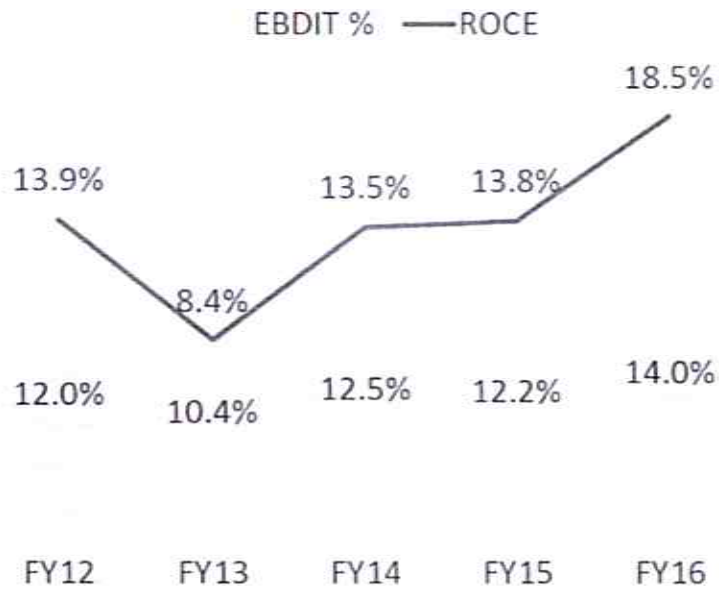


SUDARSHAN

Financial trend

Standalone figures



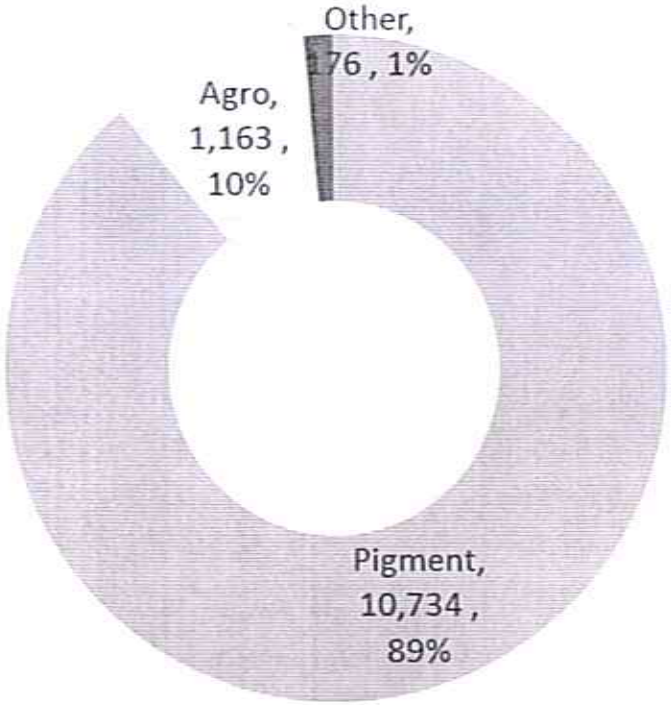


Sales CAGR 13% | EBITDA CAGR 17%

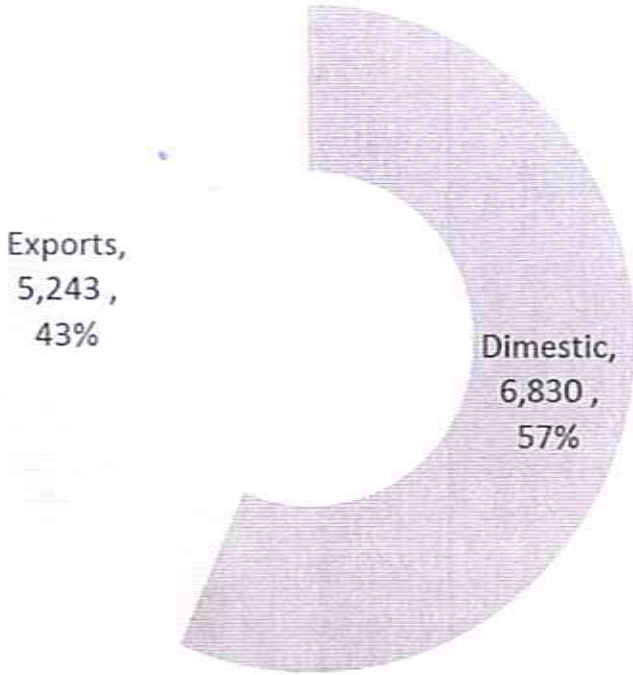
SUDARSHAN

Revenue mix

Standalone figures for FY16



Pigment share increased from 60% in FY05 to 89% in FY16



Export markets to lead future growth in Pigment business

SUDARSHAN

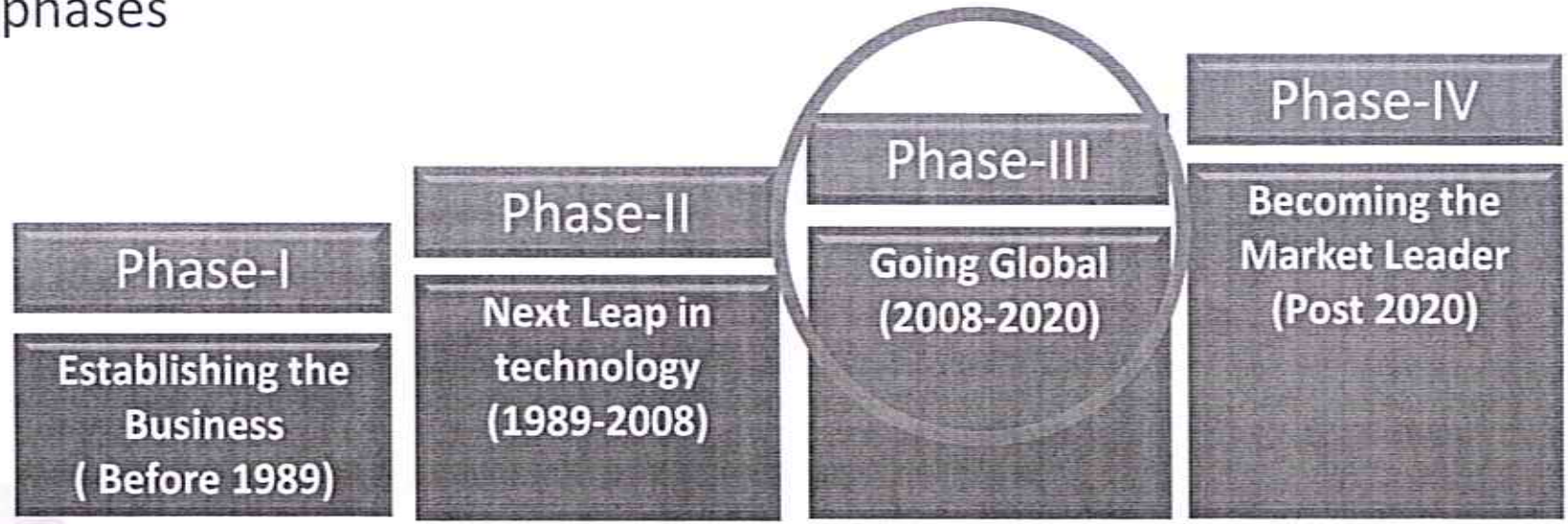
Contents

Sudarshan journey

SUDARSHAN

Four Phases in our Journey

Evolution of Sudarshan from a local player to a global player is result of a well crafted strategy which can be divided in four phases



SUDARSHAN

Globalization : Phase III Objectives

Phase-III

Going Global (2008-2020)

- Increase Global presence
- Become a 1st division Global player
- Be among top-4 pigment players in the world

SUDARSHAN

Strategic Shifts - Phase III

Toll Manufacturing	Brand shift	Direct Market Access
Commodity Pigments Blue green Azos	Product shift	Specialty Pigments Specialised Azos Specialised Effects
Domestic India JV sales	Geography shift	Global Europe America Asia
Low end markets General Printing Inks Plastics Coatings	Industry shift	Specialised markets Automotive Paints Machine Colorants / Decorative Paints Plastics Cosmetics

SUDARSHAN

Market size of Organic Pigment

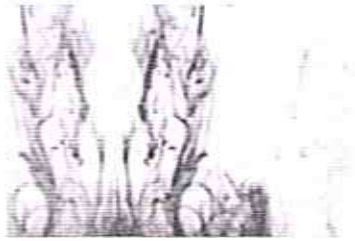
- Global Organic Pigment Market estimated at USD 5.5 Bn
- The market size of the products manufactured by us is approx. USD 3.5 Bn
- Plastics and Coatings market is approximately 50%
- India market estimated to be USD 250 Mn = Rs. 1550 crs.

SUDARSHAN

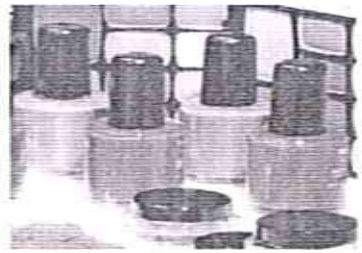
Pigment - End Markets

Coatings

Plastics



Inks



Cosmetics

SUDARSHAN

Competitive Advantage - R&D & EHS

We achieve excellent product and process reliability

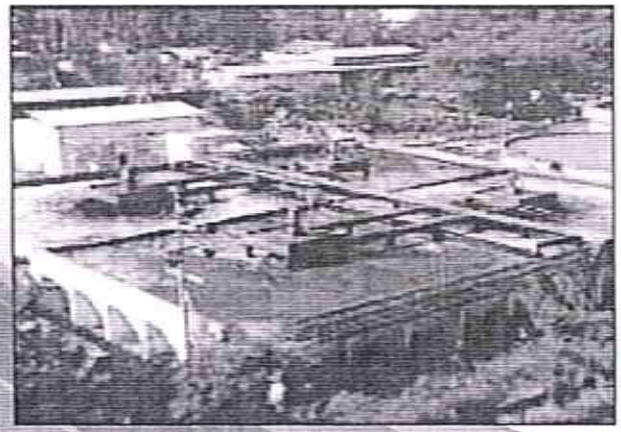
Product consistency and process control	ISO 9001 Six Sigma	We conduct over 800 tests We guarantee over 4,000 specifications
Reliable technical information	ISO 17025:2001	Our laboratories are certified by the National Accreditation Board for Testing and Calibration Laboratories
Reliable service	Oliver Wight Class A Certificate	We are recognised for operational excellence in supply chain management
Easy access to order information	SAP	We use fully traceable business processes
Environment & Occupational health	ISO 14001 OHSAS 18001 British Safety Council 5 Star Rating	We ensure safety for our plant operatives.

SUDARSHAN

Our know-how

Technology

We spend over $4 million every year on research, development and technical service, with over 100 technicians in 3 laboratories.



Health, safety & environment

We spend over $2 million every year on environmental compliance with a $3.4 million effluent plant. All plants are ISO 14000: OHSAS certified.

Won 5 star BSC rating in 2012 for Roha and Mahad

SUDARSHAN

Contents

Quarterly financial results

SUDARSHAN

Quarterly result snapshot

	Q2 FY16-17	% to sales	Vs Q2 FY15-16
Net sales	3,361		↑ 5%
EBITDA	487	14.5%	↑ 17%
Net profit	267	7.9%	↑ 45%

De-growth in export regions of South America, Middle East due to economic conditions and supressed demand in Europe causing slower sales growth

Sourcing efficiency gains compared to previous year partially offset by one time expense provisions in current quarter

Amounts in ₹ Million

SUDARSHAN

Financials

	Quarter ended		6 months ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
Net sales	3,361	3,215	6,700	6,141
Gross margin	1,394	1,297	2,800	2,487
GM %	41.5%	40.3%	41.8%	40.5%
Profit before tax	374	252	812	513
PBT %	11.1%	7.8%	12.1%	8.4%
Profit after tax	267	184	582	366
PAT %	7.9%	5.7%	8.7%	6.0%
EPS (basic & diluted)	3.85	2.65	8.40	5.28

Amounts in ₹ Million

SUDARSHAN

Key ratios

	As on 30.09.2016	30.09.2015
Debt-Equity	0.93	1.06
Interest coverage	8.54	5.22
Current ratio	1.38	1.32
Asset turnover ratio	1.86	1.96

SUDARSHAN

Business highlights

Organic pigment capacity increase by 17.5% with new line commissioning; new capex addition of Rs. 500 million

Consistent focus on reduction of working capital

Various strategic initiatives to sustain margins are continued

SUDARSHAN

Contents

Business outlook

SUDARSHAN

Business outlook

Demonetisation effect on demand to be closely monitored

International markets like Middle east, South America continue to see challenging economic conditions

Total capex addition expected in current year at approx. Rs. 1,500 million

SUDARSHAN

Thank You

SUDARSHAN

growing together ...

Spiritually fullfilled • Socially just • Environmentally sustainable

SUDARSHAN