INVESTOR PRESENTATION

February 2017

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.

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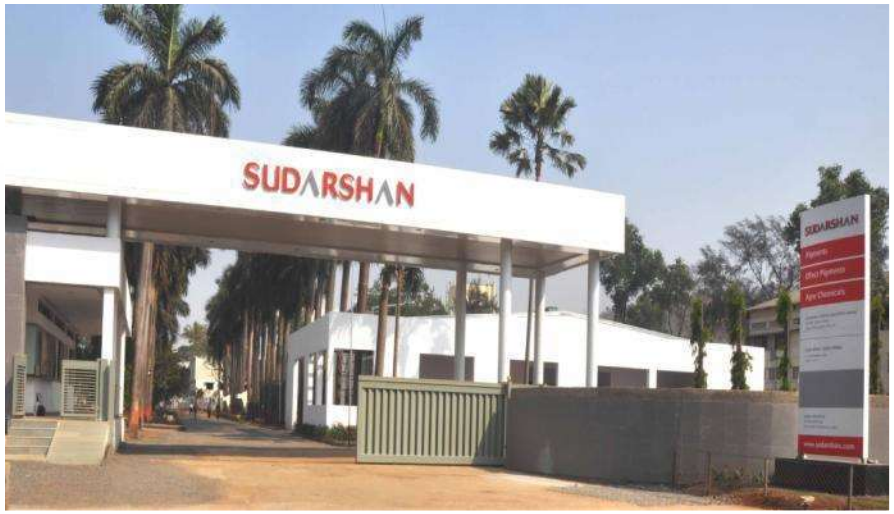
Sudarshan at glance



Incepted in 1952

Manufacturer of Pigments, Effect pigments & Agrochemicals

Largest pigment producer in India with 35% market share

5th largest pigment producer in the world

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Highlights

- **Growth engine - in pursuit of the vision**
  - From a non existent to the **5th largest producer** in the last 7 years
  - Major capacity expansion lined up over next 5 years' under MOU signed with Government of Maharashtra for ₹ 1,000 crores investment

- **Cutting Edge Technology**
  - Introduced 100+ new products - High Performance range, Cosmetic range
  - Best in class infrastructure for Analytical and Application testing
  - Best in class R&D professionals

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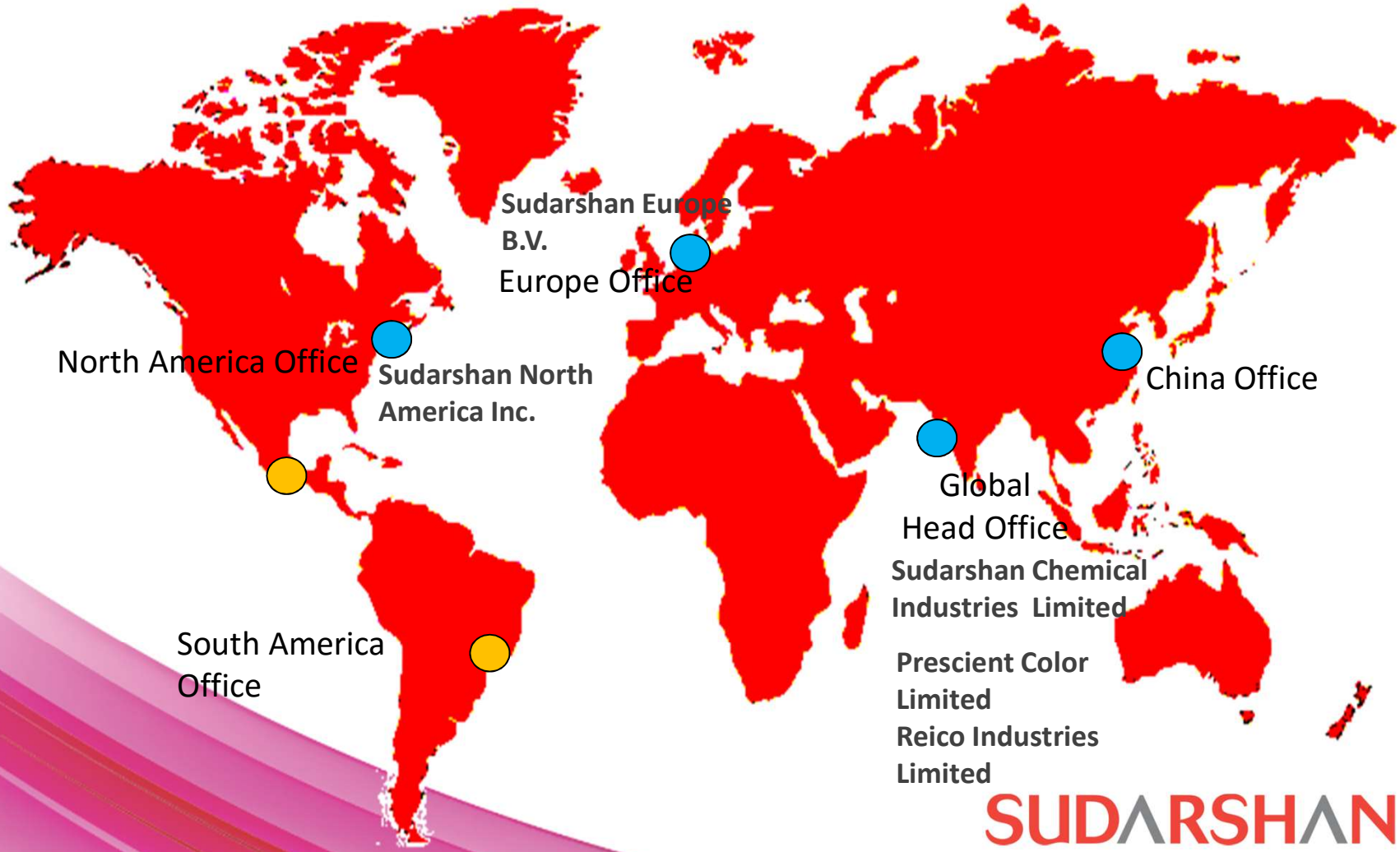
Our Infrastructure - Global Presence



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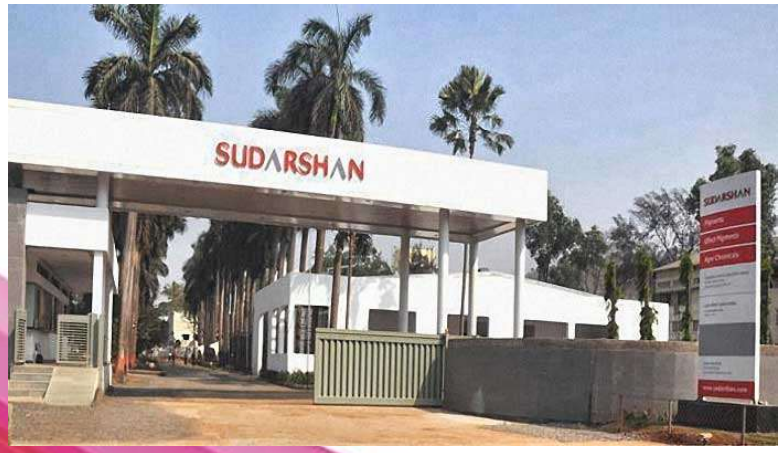
Our Infrastructure - India

- Global Head office in Pune
- R&D in Ambadwet near Pune
- India based Manufacturing
  - Roha
  - Mahad



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Our Infrastructure - R&D capabilities

People

- More than 50 scientists
- Global experts panel for competency enhancement
- Analytical and Application lab experts

Process

- Stage Gate process
- DOE approach to solutions

Infrastructure

- Dedicated site for R&D with investments >USD 10 Mn
- State of the art equipment for characterization, reverse engineering and composition analysis
- Ability to handle crystal modification & surface treatments
- Comprehensive list of equipment to ensure reproducibility in end application

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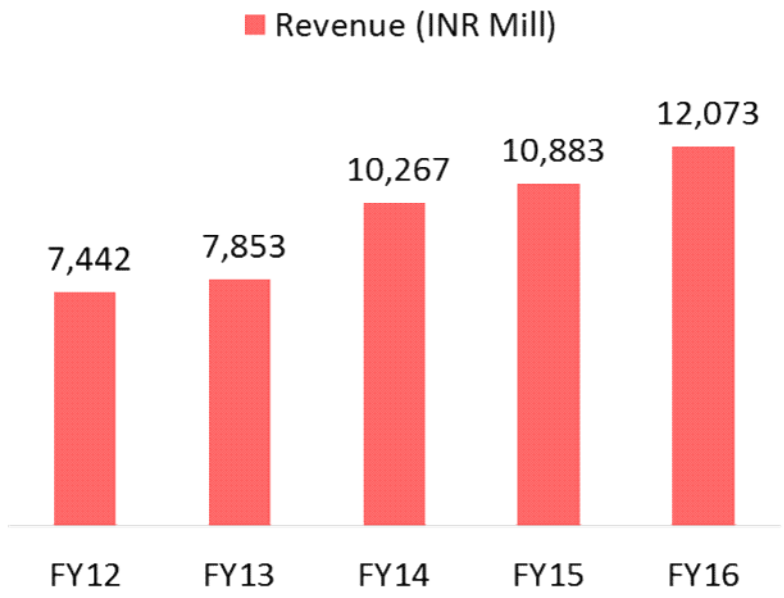
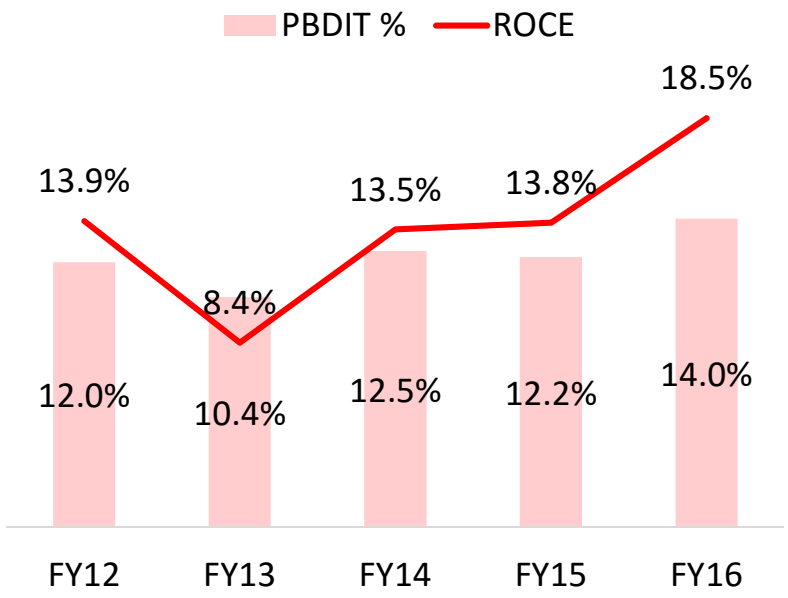
Financial trend

Standalone figures





Sales CAGR 13%	PBDIT CAGR 17%

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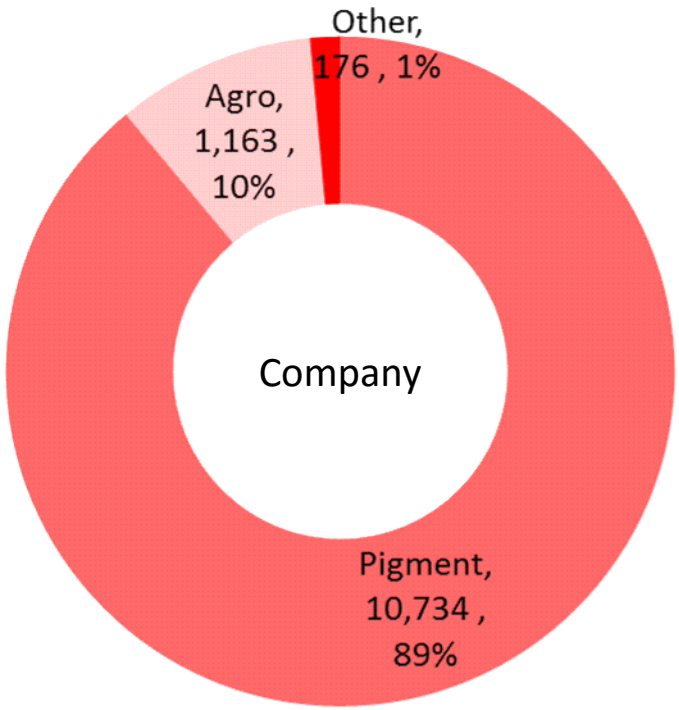
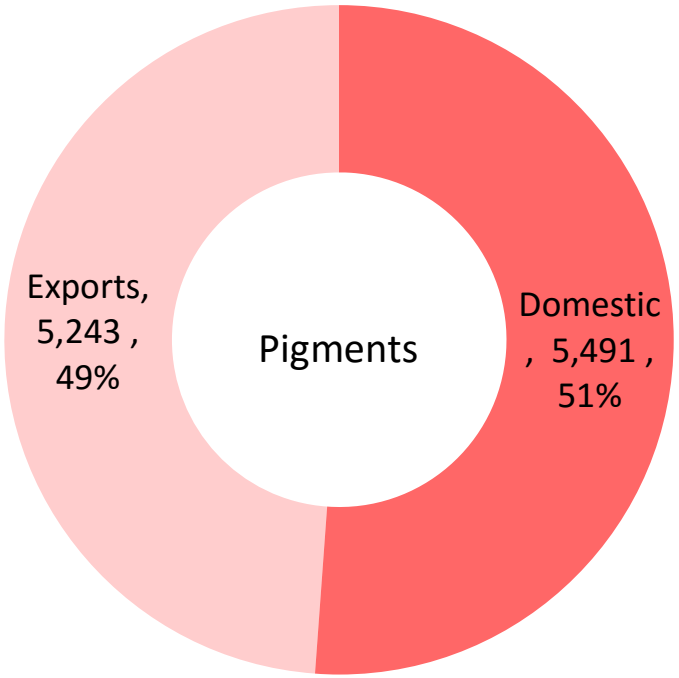
Revenue mix

Standalone figures for FY16



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



Export markets to lead future growth in Pigment business

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Sudarshan culture - Four components

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Sudarshan culture - Higher purpose

Spiritually fulfilling • Socially just • Environmentally sustainable

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Sudarshan culture - Vision

To be amongst the
top four pigment players in the
world

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Sudarshan culture - Vision

World Class Global Colour Solution Provider

with an

Innovative & vibrant culture

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Sudarshan culture - Values

S	Seva (Serve)
C	Courage
C	Commitment & Passion
R	Respect
T	Trust

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Quarterly result snapshot

	Q3 Oct-Dec'16	% to sales	vs/. Q3 Oct-Dec'15	
Net sales	2,733		1%	• Domestic sales impacted due to demonetisation • Slower demand from export markets due to calendar year end effect
EBITDA	320	11.7%	4%	• Various strategic initiatives to sustain margins are continued
Net profit	122	4.4%	-8%	• Increased depreciation from fixed asset addition

Amounts in ₹ Million

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Financials

	Quarter ended		9 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net sales	2,733	2,694	9,433	8,835
Gross margin	1,098	1,128	3,899	3,616
GM %	40.2%	41.9%	41.3%	40.9%
Profit before tax	160	160	972	673
PBT %	5.8%	5.9%	10.3%	7.6%
Profit after tax	122	131	703	497
PAT %	4.4%	4.9%	7.5%	5.6%

Amounts in ₹ Million

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Key ratios

	As on	
	31.12.2016	31.12.2015
Debt-Equity	0.89	0.96
Interest coverage	6.39	4.36
Current ratio	1.39	1.44
EPS (basic & diluted)	10.16	7.18

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Business highlights

Successful commissioning of 8.24 megawatt capacity COGEN plant at Roha site

- To be self-reliant towards power and steam generation
- To reduce power cost and make company more competitive
- Biggest COGEN plant in Konkan industrial belt
- Capex completed in 11 months without single safety deviation
- All equipment are energy efficient with latest technology

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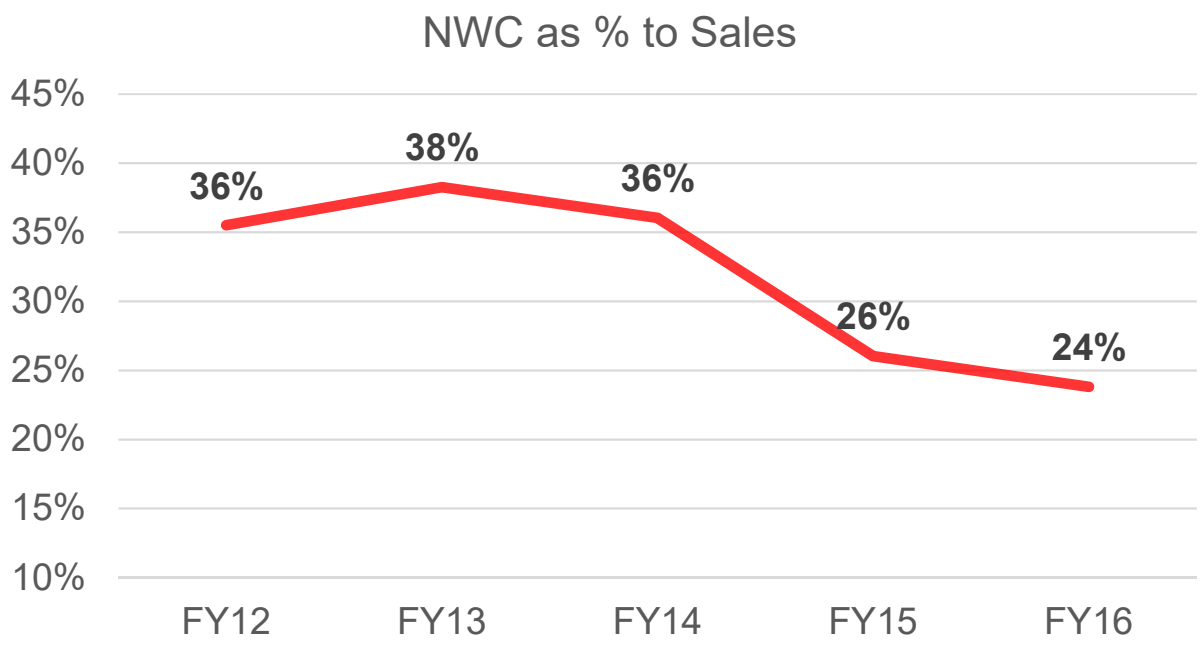
Business highlights

Consistent focus on reduction of working capital



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Business outlook

Expected improvement in demand from overseas geographies

Recovery in domestic market post demonetisation

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

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Thank You

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• Spiritually fullfilled • Socially just • Environmentally sustainable •

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