

24th November, 2017

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 : Impact of Excise Duty accounting on financial results

We write to inform you that subsequent to the publication of the Unaudited Financial Results for the quarter and six months ended 30th September, 2017 on 9th November, 2017 with the Stock Exchanges (BSE and NSE) and post conclusion of the Investor Con Call on that day, the Company has been receiving many telephone phone calls enquiring about the above subject matter.

In order to provide clarity, we attach here with a note on the impact of Excise Duty accounting on the said financial results , which is purely explanatory in nature. Kindly take the same 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
Company Secretary

Encl : As above



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

24 NOV 2017

Sudarshan Chemical Industries Limited

Note on impact of Excise duty accounting on financial results.

In accordance with the requirements of Ind AS, revenue for the quarter ended 30th September 2017 is net of Goods and Service Tax (GST). However, revenue for the quarter ended 30th June 2017, quarter and six months ended 30th September 2016 and year ended 31st March 2017 is inclusive of excise duty. Hence revenue for the quarter is not comparable with the corresponding figures for previous periods.

Comparable Revenue (net of excise duty and GST) is as follows:

(Rs. In Lakhs)

Particulars	Quarter Ended			6 Months Ended		Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
Revenue from Operations (as published)	34,648.4	35,449.5	35,430.3	70,097.9	70,797.6	133,292.5
Less: Excise duty collected on revenue	-	2,560.9	2,534.9	2,560.9	5,207.3	9,765.4
Comparable Revenue from Operations	34,648.4	32,888.6	32,895.4	67,537.0	65,590.3	123,527.1

Similarly, due to non-provision of Excise Duty post applicability of GST, changes in inventories of finished goods, work-in-progress and stock-in-trade as well as other expenses for the quarter ended 30th September 2017 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:

(Rs. In Lakhs)

Particulars	Quarter Ended			6 Months Ended		Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
Cost of materials consumed	19,766.8	21,283.0	18,910.1	41,049.8	37,349.6	71,648.5
Purchase of Stock-in-trade	722.9	1,486.0	1,652.2	2,208.9	3,355.9	4,911.1
Changes in inventories	1,521.9	(3,704.8)	(886.5)	(2,182.9)	(1,725.5)	(1,557.4)
Cost of goods sold (as published)	22,011.6	19,064.2	19,675.8	41,075.8	38,980.0	75,002.2
Less: Excise duty provision on change in inventories	1,141.9	(325.0)	(28.2)	816.9	15.2	160.7
Comparable cost of goods sold	20,869.7	19,389.2	19,704.0	40,258.9	38,964.8	74,841.5
Gross margin on revenue	39.77%	41.05%	40.10%	40.39%	40.59%	39.41%
Other Expenses (as published)	5,811.2	7,672.6	6,744.1	13,483.8	12,740.4	26,528.3
Less: Excise duty provision on change in inventories	(1,141.9)	325.0	28.2	(816.9)	(15.2)	(160.7)
Comparable other expenses	6,953.1	7,347.6	6,715.9	14,300.7	12,755.6	26,689.0

For Sudarshan Chemical Industries Ltd.

Vivek Thakur

Dy. Gen. Manager (Finance)

