



**OMKAR**  
Always the leaders

# OMKAR SPECIALITY CHEMICALS LIMITED

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CIN : L24110MH2005PLC151589

Ref: OSCL/SE/2020-21/09

Date: June 10, 2020

To,

Corporate Services Department <b>The Bombay Stock Exchange (BSE Limited )</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. BSE CODE : 533317	Corporate Services Department <b>National Stock Exchange of India Ltd.</b> “Exchange Plaza”, Plot no. C-1, Block - G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. NSE CODE : OMKARCHEM
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Dear Sirs,

**Sub.: Disclosure of material impact of COVID-19 pandemic on the Company under Regulation 30 of SEBI (LODR) Regulations, 2015.**

As per the Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, read with Regulation 30 of SEBI (LODR) Regulations, 2015, the disclosures & information that the Company considers disclosing, subject to the application of materiality, is being enclosed herewith.

This is for your reference and record.

Thanking you,

Yours Truly,

For **OMKAR SPECIALITY CHEMICALS LIMITED**

Sd/-

**SUNNY PAGARE**

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

(M.No. F8896)

Encl.: As above.

**Disclosure of material impact of COVID-19 pandemic on the Company under Regulation 30 of SEBI (LODR) Regulations, 2015:**

In terms of Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we would like to inform you that the Government of India had issued the notifications for complete Lock down from March 23, 2020 onwards to contain spread of COVID-19 disease. We, as a responsible corporate entity, were utmost concerned about the health & safety of all our employees, field staff, stakeholders and their families. Accordingly, we extended our full support and cooperation to said lock down and the registered office, corporate office and field staff activities were remain closed during the said period.

We would further like to inform you that with the permission of the State Administration Authority, the operations of the Company were resumed with limited manpower to ensure timely implementation of accounts and administration activities while most of the employees including key personnel continued to work from home during the said period.

Pursuant to Regulation 30(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, disclosures & information that the Company considers disclosing, subject to the application of materiality, given below:

**1. Impact of the COVID-19 pandemic on the business:**

Till 20<sup>th</sup> March, 2020 the business activities were running more or less on normal scale.

However, with the various restrictions imposed thereafter by the Government in respect to COVID 19 pandemic and further consequence of complete lock down announced by the Government of India, the operations of the Company also closed substantially, resulting into adverse effect on the business since the above mentioned period to meet its commitments timely.

This has impact on the performance of the Company marginally at the end of March, 2020 and therefore we expect breakeven scenario of the financial position for the 4<sup>th</sup> quarter ended 31<sup>st</sup> March, 2020 (F.Y. 2019-20).

As a result of complete lock down during the latter part (i.e. 01<sup>st</sup> quarter of F.Y. 2020-21), the revenue from operation generated from 01<sup>st</sup> April, 2020 till date is substantially low/ Nil.

**2. Ability to maintain operations including the factories/units/office spaces functioning and closed down:**

As mentioned above the Company's main business activity majorly is completely shut.

The office staff (including key personnel) have been allowed to work from home and connected to each other by means of available electronic infrastructure.

Meanwhile few office staff from accounts department is allowed to attend the office on 1-2 working days of the week. The other office staff including key personnel and officers could not attend the office within the permissible limit due to lack of public transport and declaration as "Containment Zone" at their respective residential area.

**3. Schedule, if any, for restarting the operations:**

The Company will initiate its complete operations according to further order of Government allowing field staff/ employees including key personnel and officers to attend its operation and administration duties. Meanwhile other activities connected to the business are operating through remote access.

**4. Steps taken to ensure smooth functioning of operations:**

We can only hope to regain the business activities in future when situation became stable. But we expect business loss to reduce from July, 2020 onwards, though it is too early to forecast the situation.

Meanwhile, the Company has taken all the necessary steps as recommended / stated in the guidelines /advisories issued by the Statutory Authorities pertaining to COVID-19 time to time.

**5. Estimation of the future impact of COVID-19 on its operations:**

The Company is not able to fulfil its work orders and requirements of the customers because of unavailability of resources, resulting which the Company is not able to meet its commitments timely. This may result in a negative impact on financial position during the current quarter which may continue for the next few quarters also.

**6. Details of impact of COVID-19 on the Company:**

The Company has faced the following impact on its business:

- a. Impact on production:- Lack of man power from workers to the supervisory level, uncertainty in supply chain and logistics issue have hampered the production seriously.

- b. The impact on “Cash-flow” shows that the Company have more outgoing than incoming cash. Current outgoing position of cash reflects the time bound payments of staff, un-avoidable regulatory fees, statutory dues, etc., facing heavy difficulties is paying off its financial obligations well in time and further affecting on its liquidity,
- c. Debt or borrowing outstanding to its bank or financial institution:- The Company is unable to pay its obligations for servicing the finance cost to the bank thereby leading to a default.
- d. The expectation of “Profitability” for the current period is substantially low, by considering the devastating market position as the Company is not able to avail its fullest resources (field staff and public transport).
- e. Internal Financial Reporting and Control: The Company will intimate the impact of COVID19 pandemic on the business and its performance and financials, both qualitatively and quantitatively at its actuals to the extent possible and will disseminate to the Stock Exchange.

**7. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity’s business:**

Difficulties faced by the Company:- Since the operations of the Company are affected by the lockdown, the deliveries against the accepted orders are not happening smoothly. This may lead to loss of business in future.

**8. Other relevant material updates about the listed entity’s business:**

Nil

For **OMKAR SPECIALITY CHEMICALS LIMITED**

Sd/-  
**SUNNY PAGARE**  
**COMPANY SECRETARY AND COMPLIANCE OFFICER**  
(M.No. F8896)