



**OMKAR**  
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## OMKAR SPECIALITY CHEMICALS LIMITED

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Email : info@omkarchemicals.com Web. : www.omkarchemicals.com

CIN : L24110MH2005PLC151589

Ref. No.: OSCL/SE/2016-17/115

Date: November 16, 2016

To,

Corporate Services Department <b>BSE LIMITED</b> P.J. Towers, 1 <sup>st</sup> Floor, Dalal Street, Mumbai – 400001. BSE Code: 533317	Corporate Services Department <b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. NSE Symbol: OMKARCHEM
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Ref.: Intimation of Conference Call – Reg. 30

Dear Sir / Madam,

In furtherance of our letter dated November 15, 2016, Ref.: No.: OSCL/SE/2016-17/114, we are enclosing Presentation and Media Release for Concall scheduled to be held on Thursday, November 17, 2016 for Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2016.

Kindly take the same on record and acknowledge receipt.

Thanking You,

Yours truly,

For **OMKAR SPECIALITY CHEMICALS LIMITED**

**SUNNY PAGARE**

**COMPANY SECRETARY & COMPLIANCE OFFICER**

M. NO.: A27431



# Omkar Speciality Chemicals Limited

## Q2 & H1 FY17 Earnings Presentation

November 2016

## Safe Harbor

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# Director's Message

## Director's Message



Commenting on the results, Mr. Omkar Herlerkar, Wholetime Director, Omkar Speciality Chemicals Ltd. said -

*“Our growth momentum has continued in this quarter. All our business segments have contributed to this growth.*

*We continue to focus on achieving higher operating efficiencies and optimizing productivity that is resulting in improved profitability. This has also enabled us to gain greater control on our operations thereby improving our working capital days.*

*I am happy to share that our exports during quarter witnessed significant increase further expanding our Global markets.”*



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# Key Developments

## Recent Developments

### De-pledging Exercise During H1 FY17

#### 1<sup>st</sup> Round

- Sold 18,72,865 shares to bring down pledged shares. Total shares de-pledged are 17,85,254
- Brought down pledged shares from 96,61,486 shares to 78,76,232 shares

#### 2nd Round

- Sold 11,50,797 shares to bring down pledged shares. Total shares de-pledged are 23,40,000
- Brought down pledged and encumbered shares from 65.98% to 51.32% (of the promoters holding)
- Current total pledged and encumbered shares – 55,36,232 (26.9% of total shares of the Company)

Management committed to maintain majority Shareholding in the Company



## Recent Developments Contd...

### **Credit Rating Upgrade**

- Upgraded to BWR BBB for Fund based and BWR A3 for Non-Fund based Borrowings

### **Demerger Exercise**

- Management is moving ahead with demerger process



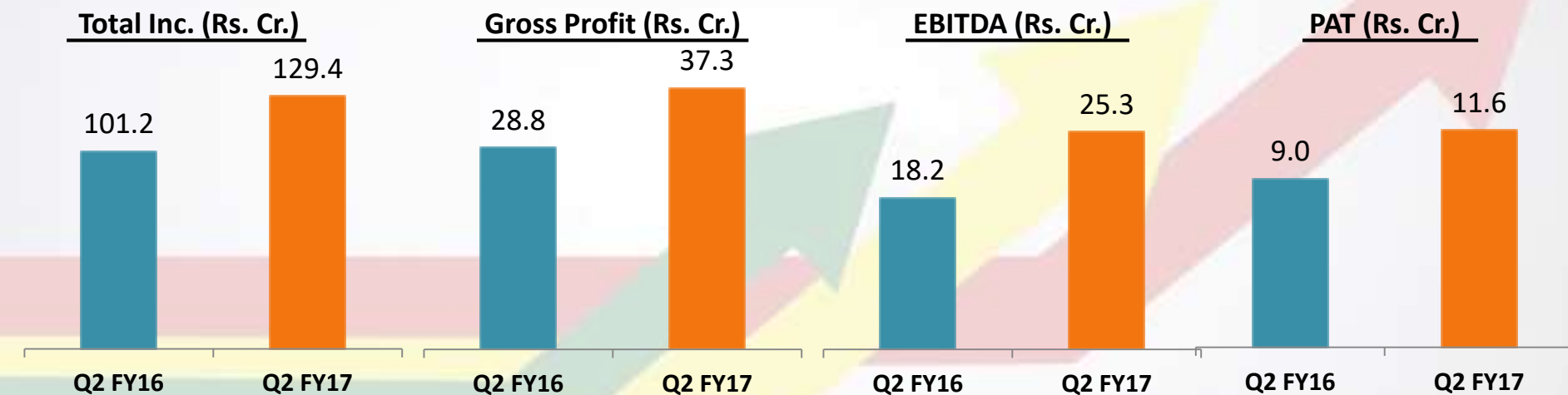
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# Financial Highlights

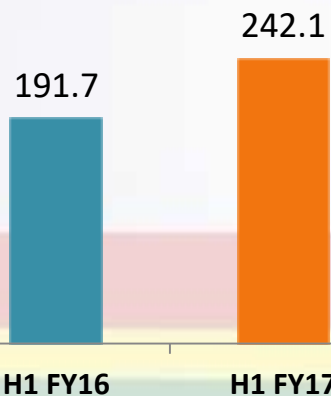
## Consolidated Financial Highlights (Q2 FY17 v/s Q2 FY16)



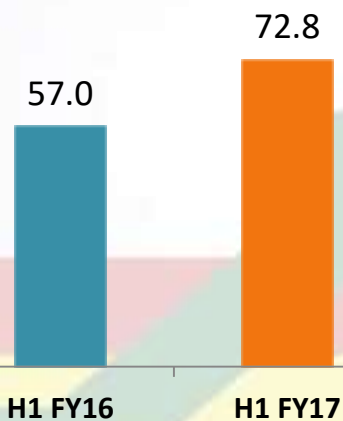
Key ratios (%)	Q2 FY17	Q2 FY16
Gross Margin	28.8	28.4
EBITDA Margin	19.5	18.0
PAT Margin	8.9	8.9
EBIT/Interest (x)	3.2	3.6
EPS (Rs.)	5.6	4.4

# Consolidated Financial Highlights (H1 FY17 v/s H1 FY16)

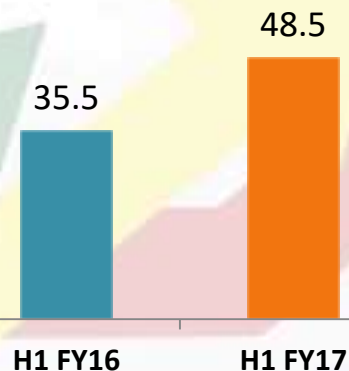
## Total Inc. (Rs. Cr.)



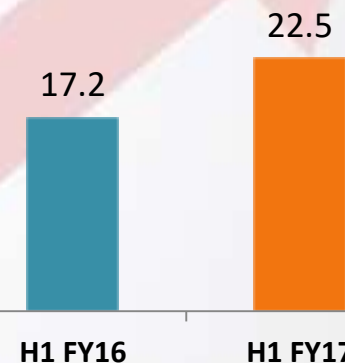
## Gross Profit (Rs. Cr.)



## EBITDA (Rs. Cr.)

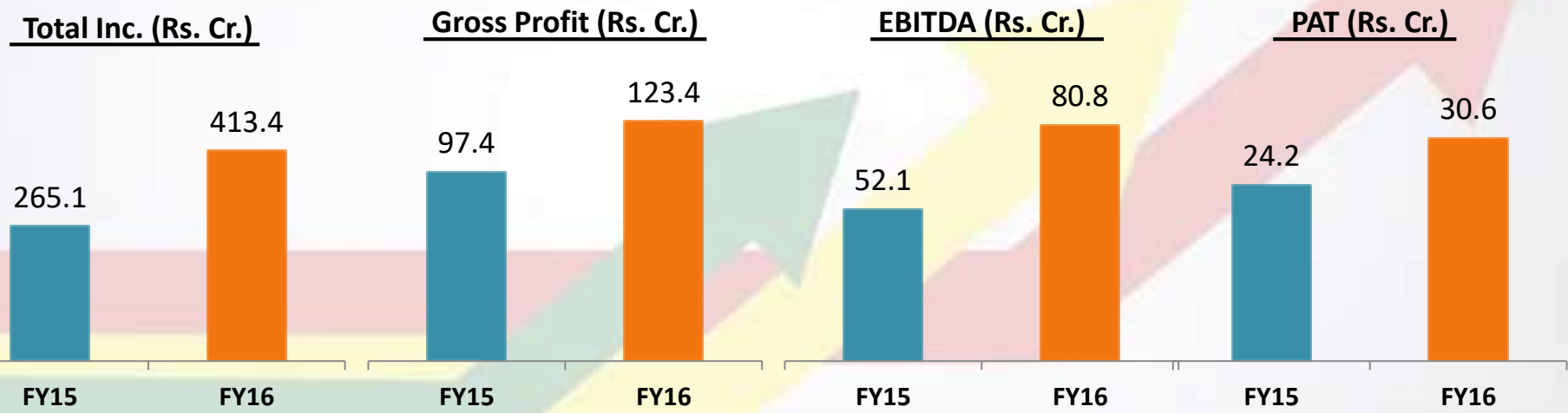


## PAT (Rs. Cr.)



Key ratios (%)	H1 FY17	H1 FY16
Gross Margin	30.1	29.7
EBITDA Margin	20.0	18.5
PAT Margin	9.3	8.9
EBIT/Interest (x)	3.4	3.9
EPS (Rs.)	10.9	8.3

# Consolidated Financial Highlights (FY 16 v/s FY 15)



Key ratios (%)	FY16	FY15
Gross Margin	29.8	36.7
EBITDA Margin	19.5	19.6
PAT Margin	7.4	9.1
EBIT/Interest (x)	3.5	2.9
RoCE	24.7	18.3
RoE	15.7	14.4
EPS (Rs.)	14.9	12.0

## Quarterly Performance – Consolidated P&L Statement

Particulars (Rs. Cr.)	Q2 FY17	Q2 FY16	Y-o-Y % Chg	Q1 FY17	Q-o-Q % Chg
Revenue from Operations	129.4	101.2	27.8%	112.7	14.8%
Material Consumed	92.1	72.5		77.2	
Employee Cost	5.2	4.3		4.9	
Other costs	6.8	6.3		7.4	
Total Expenditure	104.1	83.1		89.5	
EBIDTA	25.3	18.2	38.7%	23.2	8.8%
EBITDA Margin (%)	19.5%	18.0%	153 bps	20.6%	(108 bps)
Depreciation	4.0	2.0		3.5	
Other Income	0.6	0.2		0.7	
Interest	6.7	4.5		5.5	
Exceptional Item	0.0	0.0		0.0	
Profit Before Tax	15.3	12.0		14.8	
Tax	3.7	2.9		3.8	
Profit After Tax	11.6	9.0	28.2%	11.0	5.3%
PAT Margin (%)	8.9%	8.9%	1 bps	9.7%	(81 bps)

## Half Yearly Consolidated P&L Statement

Particulars (Rs. Cr.)	H1 FY17	H1 FY16	% Chg
Revenue from Operations	242.1	191.7	26.3%
Material Consumed	169.3	134.7	
Employee Cost	10.2	8.2	
Other costs	14.1	13.3	
Total Expenditure	193.6	156.2	
EBIDTA	48.5	35.5	36.7%
EBITDA Margin (%)	20.0%	18.5%	153 bps
Depreciation	7.5	3.8	
Other Income	1.3	0.6	
Interest	12.2	8.1	
Exceptional Item	0.0	0.0	
Profit Before Tax	30.1	24.1	
Tax	7.6	6.9	
Profit After Tax	22.5	17.2	31.1%
PAT Margin (%)	9.3%	8.9%	33 bps

## Half Yearly Consolidated Balance Sheet Highlights

Rs. Cr.	Sep-16	Sep-15
<b>Shareholder's Funds</b>	<b>218.6</b>	<b>185.8</b>
Share Capital	20.6	20.6
Reserves & Surplus	198.0	165.2
Money received against warrants	0.0	0.0
<b>Non-current liabilities</b>	<b>132.0</b>	<b>119.0</b>
Long term borrowings	115.1	115.6
Defer Tax liabilities	13.6	1.6
Other Long-Term liabilities	0.0	0.0
Long-Term Provisions	3.2	1.8
<b>Current liabilities</b>	<b>248.1</b>	<b>230.8</b>
Short Term Borrowings	114.4	99.5
Trade Payables	86.2	85.5
Other Current liabilities	29.9	28.4
Short-term provisions	17.6	17.4
<b>Total Equities &amp; Liabilities</b>	<b>598.6</b>	<b>535.6</b>

Rs. Cr.	Sep-16	Sep-15
<b>Non-current assets</b>	<b>339.8</b>	<b>295.7</b>
Fixed assets	337.9	294.5
Goodwill on Consolidation	0.9	0.0
Non-current Investments	0.1	0.1
Long-term loans & advances	0.9	1.2
<b>Current assets</b>	<b>258.8</b>	<b>239.8</b>
Current investments	0.0	0.0
Inventories	101.9	86.6
Trade receivables	114.0	112.9
Cash & Cash equivalents	13.9	13.4
Short-term loans & Advances	9.1	8.4
Other Current Assets	20.0	18.5
<b>Total Assets</b>	<b>598.6</b>	<b>535.6</b>

....Working Capital Days as on 30<sup>th</sup> Sep'16 improved to 98 days

Total Debt includes Loan from Promoters of Rs.27.2 Cr.



## Annual Consolidated P&L Statement

Particulars (Rs. Cr.)	FY16	FY15	% Chg
Revenue from Operations	413.4	265.1	59.9%
Material Consumed	290.0	167.7	
Employee Cost	17.9	14.4	
Other costs	24.6	30.9	
Total Expenditure	332.6	213.0	
EBIDTA	80.8	52.1	55.1%
EBITDA Margin (%)	19.6%	19.7%	(10 bps)
Depreciation	9.0	10.3	
Other Income	1.4	0.9	
Interest	20.4	14.5	
Exceptional Item	0.5	0.0	
Profit Before Tax	52.4	28.2	
Tax	21.8	4.0	
Profit After Tax	30.6	24.2	26.6%
PAT Margin (%)	7.4%	9.1%	(171 bps)

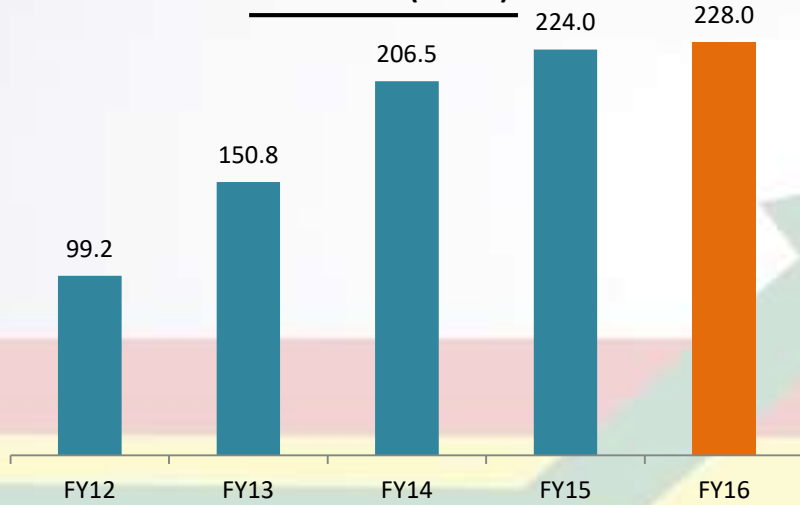
## Annual Consolidated Balance Sheet Highlights

Rs. Cr.	Mar-16	Mar-15
<b>Shareholder's Funds</b>	<b>195.5</b>	<b>169.0</b>
Share capital	20.6	20.6
Reserves & Surplus	174.9	148.0
Money received against Warrants	0.0	0.0
<b>Non-current liabilities</b>	<b>108.5</b>	<b>63.0</b>
Long term borrowings	94.5	60.7
Defer Tax liabilities	11.3	0.8
Other Long-Term liabilities	0.0	0.0
Long-Term Provisions	2.8	1.6
<b>Current liabilities</b>	<b>278.9</b>	<b>247.6</b>
Short Term Borrowings	113.1	140.6
Trade Payables	98.2	61.4
Other Current liabilities	46.9	32.8
Short-term provisions	20.7	12.8
<b>Total Equities &amp; Liabilities</b>	<b>582.9</b>	<b>479.2</b>

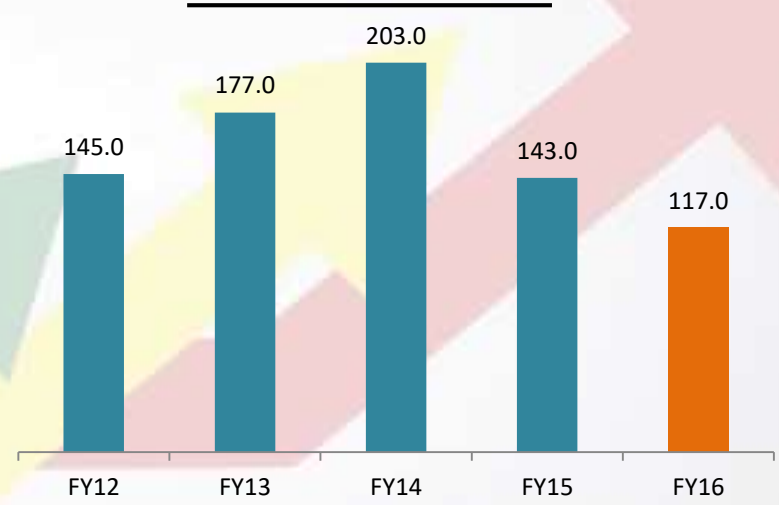
Rs. Cr.	Mar-16	Mar-15
<b>Non-current assets</b>	<b>310.9</b>	<b>271.8</b>
Fixed assets	309.6	270.7
Non-current Investments	0.1	0.1
Long-term loans & advances	0.9	1.0
Other non-current assets	0.4	0.0
<b>Current assets</b>	<b>272.0</b>	<b>207.4</b>
Current investments	0.0	0.0
Inventories	99.9	88.8
Trade receivables	130.4	76.8
Cash & Cash equivalents	10.3	15.5
Short-term loans & Advances	30.5	22.2
Other Current Assets	1.0	4.1
<b>Total Assets</b>	<b>582.9</b>	<b>479.2</b>

# Key Performance Indicators

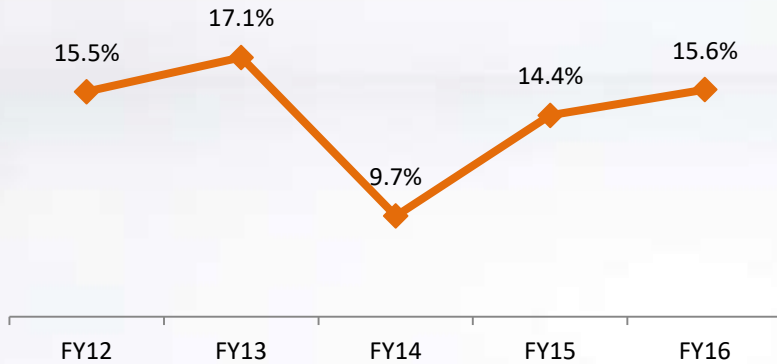
**Total Debt (Rs. Cr.)**



**Net Working Capital Days**



**RoE (%)**



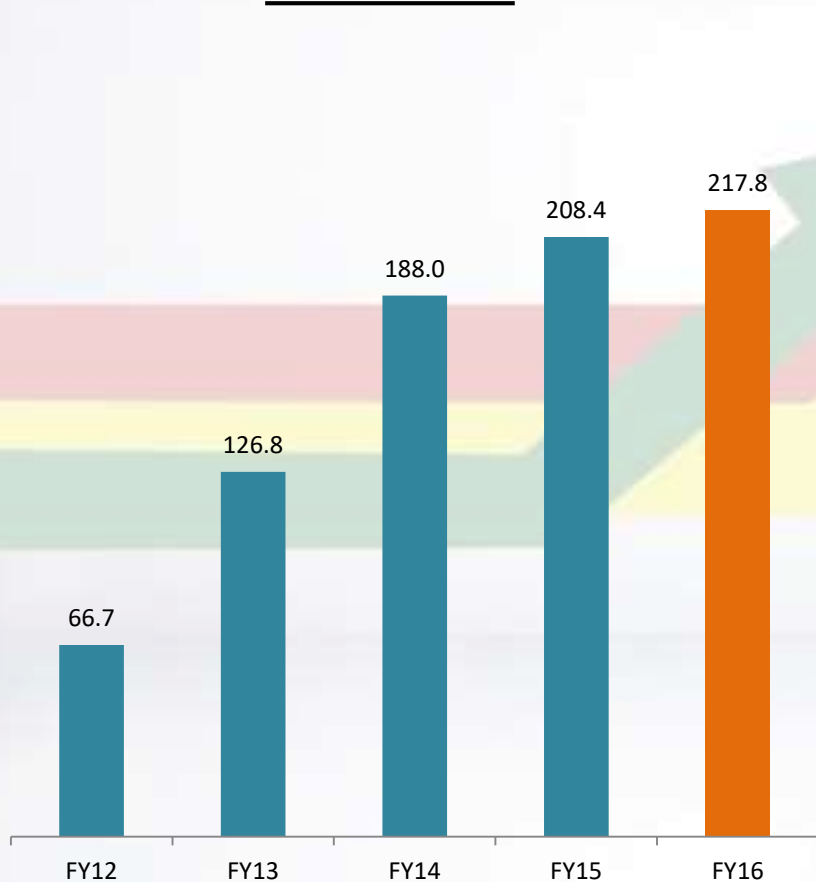
**RoCE (%)**



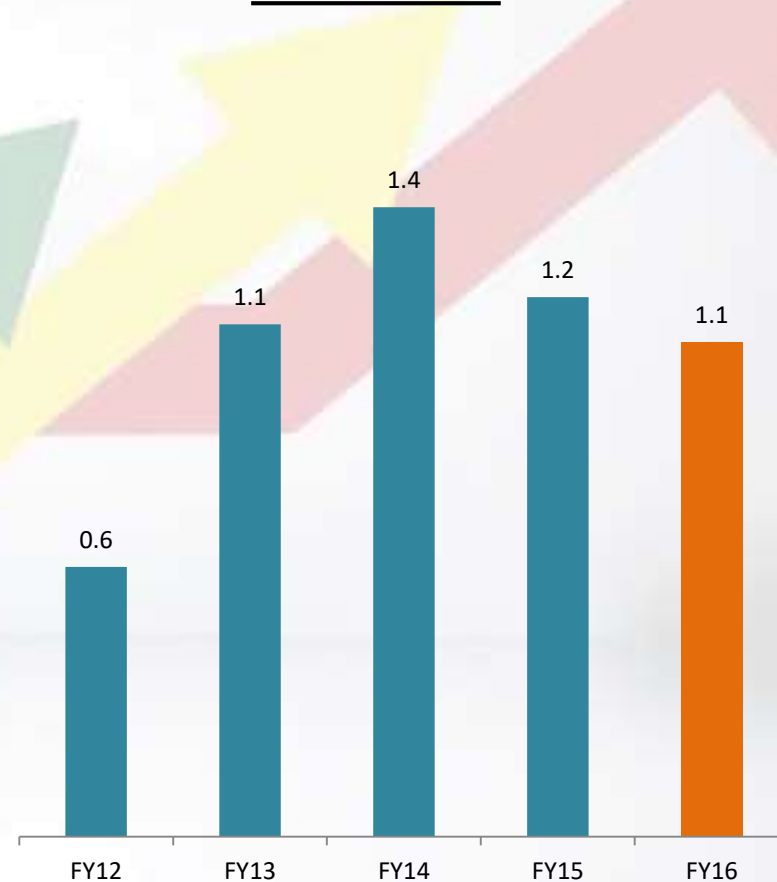
ROE = PAT / Networth; ROCE = EBIT / Capital Employed

# Key Performance Indicators

Net Debt (Rs. Cr.)



Net Debt / Equity

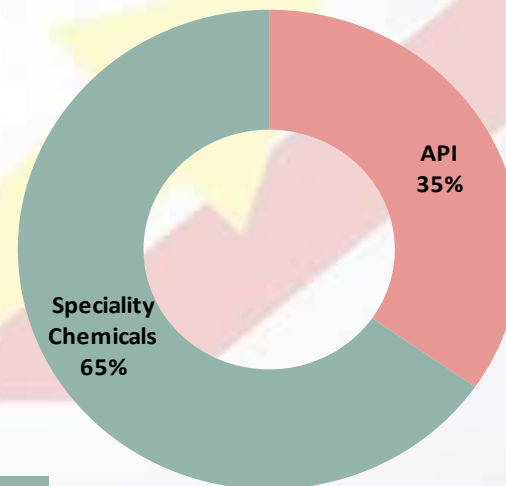
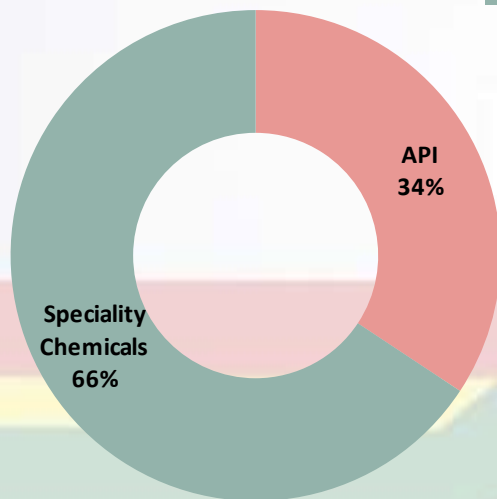


# Segment & Geographical Revenue Split – Q2 & H1 FY17

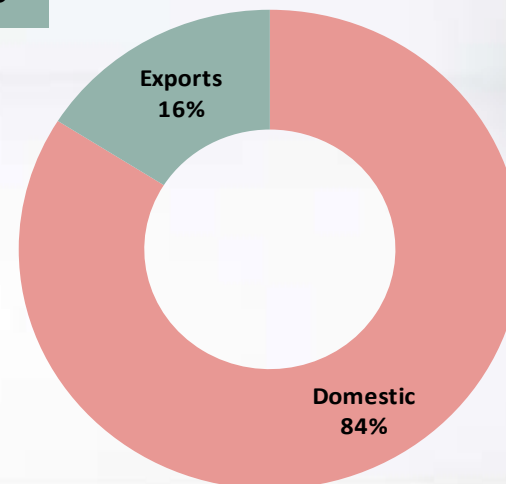
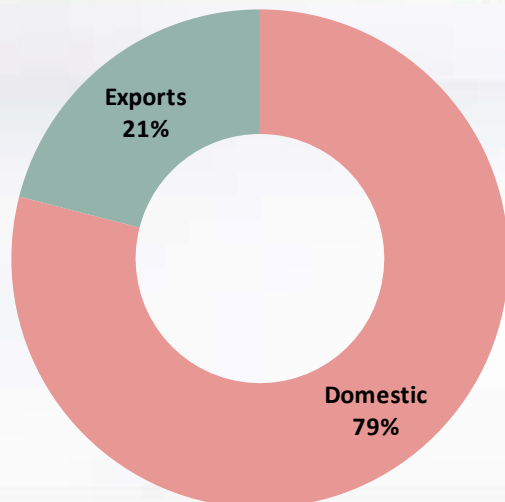
Q2 FY17

Segment break-up

H1 FY17

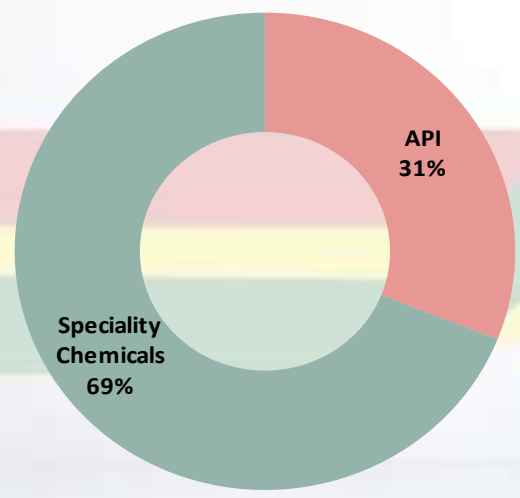


Geographical break-up

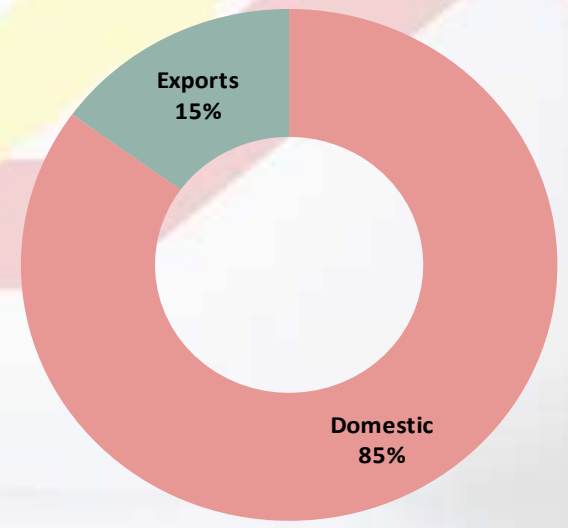


# Segment & Geographical Revenue Split – FY16

Segment break-up



Geographical break-up



For further information, please contact-

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**Company -**

Omkar Speciality Chemicals Ltd  
CIN- L24110MH2005PLC151589

Mr. Omkar Herlekar  
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[www.omkarchemicals.com](http://www.omkarchemicals.com)

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## MEDIA RELEASE

### **Strong Growth Across Business Segments**

**Revenue at Rs. 129 Crore, YoY growth of 28%**

**EBITDA at Rs. 25 Crore, YoY growth of 39%**

**EBIDTA Margins at 19.5%**

**PAT at Rs. 12 Crore, YoY growth of 28%**

**Mumbai, November 14, 2016:** Omkar Speciality Chemicals Limited (BSE: 533317, NSE: OMKARCHEM), a leading player involved in the manufacturing of Speciality Chemicals and Veterinary APIs, announced its un-audited results for the quarter and half year ended 30<sup>th</sup> September 2016.

#### **Key Financials:**

Particulars (Rs. Crs)	Q2 FY17	Q2 FY16	YoY	Q1 FY17	QoQ	H1 FY17	H1 FY16	YoY
<b>Net Sales</b>	<b>129.4</b>	101.2	<b>27.8%</b>	112.7	<b>14.8%</b>	<b>242.1</b>	191.7	<b>26.3%</b>
<b>EBITDA</b>	<b>25.3</b>	18.2	<b>38.7%</b>	23.2	<b>8.8%</b>	<b>48.5</b>	35.5	<b>36.7%</b>
<b>PAT</b>	<b>11.6</b>	9.0	<b>28.2%</b>	11.0	<b>5.3%</b>	<b>22.5</b>	17.2	<b>31.1%</b>

#### **Management Comments:**

Commenting on the results, Mr. Omkar Herlekar, Whole time Director, Omkar Speciality Chemicals Ltd. said:

*“Our growth momentum has continued in this quarter. All our business segments have contributed to this growth.*



*We continue to focus on achieving higher operating efficiencies and optimizing productivity that is resulting in improved profitability. This has also enabled us to gain greater control on our operations thereby improving our working capital days.*

*I am happy to share that our exports during quarter witnessed significant increase further expanding our Global markets.”*

**Performance Highlights for the quarter and half year ended September 30, 2016:**

**Q2 FY17**

- **Revenue stood at Rs. 129.4 crore in Q2 FY17**, as against Rs. 101.2 crore in the corresponding period last year, a **YoY growth of 27.8%**
- **Breakup of revenue as per business segments:**
  - **API Segment** – 34.3% of total revenue
  - **Speciality Chemicals Segment** – 65.7% of total revenue
- **EBITDA stood at Rs. 25.3 crore** in Q2 FY17 as against Rs. 18.2 crore in the corresponding period last year, growth of **38.7% YoY**, mainly on account of **higher operating efficiencies and better product mix**
- **EBITDA Margin at 19.5%**, an improvement of **over 153 bps YoY** mainly on account of **better operational efficiencies.**
- **Profit After Tax at Rs. 11.6 crore** in Q2 FY17 as against Rs. 9.0 crore in Q2 FY16 and **grew by 28.2%**

**H1 FY17**

- **Revenue stood at Rs. 242.1 crore in H1 FY17**, as against Rs. 191.7 crore in the corresponding period last year, a **YoY growth of 26.3%**
- **Breakup of revenue as per business segments:**
  - **API Segment** – 34.7% of total revenue
  - **Speciality Chemicals Segment** – 65.3% of total revenue
- **EBITDA stood at Rs. 48.5 crore** in H1 FY17 as against Rs. 35.5 crore in the corresponding period last year, growth of **36.7% YoY**
- **EBITDA Margin at 20.0%**, an improvement of **over 153 bps YoY** mainly on account of **operational efficiencies**
- **Profit After Tax at Rs. 22.5 crore** in H1 FY17 as against Rs. 17.2 crore in H1 FY16 and **grew by 31.1%**

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## **Recent Developments**

### **De-pledging Exercise**

#### **1<sup>st</sup> Round**

- Sold 18,72,865 shares to bring down pledged shares. Total share de-pledged are 17,85,254
- Brought down pledged shares from 96,61,486 shares to 78,76,232 shares.

#### **2<sup>nd</sup> Round**

- Sold 11,50,797 shares to bring down pledged shares. Total shares de-pledged are 23,40,000
- Brought down pledged and encumbered shares from 65.98% to 51.32% (of the promoters holding)
- Current total pledged and encumbered shares – 55,36,232 (26.9% of total shares of the Company)
- Management committed to maintain majority Shareholding in the Company

### **Credit Rating Upgrade**

- Upgraded to BWR BBB for Fund based and BWR A3 for Non-Fund based Borrowings

### **Demerger Exercise**

- Management is moving ahead with demerger process

### **Earnings Conference Call – Q2 & H1 FY17**

The conference call details are as under:

Date: 17<sup>th</sup> November (Thursday), 2016

Time: 16:00 hours

Dial-in Numbers: +91 22 3960 0860 / +91 22 6746 5969

### **About Omkar Speciality Chemicals Limited:**

*Omkar Speciality Chemicals Limited is amongst the leading manufacturers of Specialty Chemicals and Intermediates for Chemical and Allied Industries. The Company has total 9 Units (including the facilities in wholly owned subsidiaries), of which 5 Units are located in Badlapur, and the other 4 units are located in Chiplun and in Mahad002E*

*Omkar Speciality Chemicals Limited exports to over 38 countries across Europe, Canada, Asia, South America & Australia. The Company's association with leading organizations in India and abroad has*



## Omkar Speciality Chemicals Limited

CIN: L24110MH2005PLC151589

expanded their business, across different product lines and develop new molecules as per the specific requirements of their valued customers.

For more details please visit: [www.omkarchemicals.com](http://www.omkarchemicals.com)

For any Investor Relations query, please contact:

<b>Omkar Herlekar</b> <b>Whole Time Director</b> <b>Omkar Speciality Chemicals Limited</b> Email: <a href="mailto:omkar@omkarchemicals.com">omkar@omkarchemicals.com</a>	<b>Savli Mangle / Amit Sharma</b> <b>Bridge Investor Relations Pvt. Ltd.</b> Phone: +91-22-26873003 Email: <a href="mailto:savli@bridge-ir.com">savli@bridge-ir.com</a> / <a href="mailto:amit@bridge-ir.com">amit@bridge-ir.com</a>
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**Note:** Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. Omkar Speciality Chemicals Ltd will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.