



**OMKAR**  
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# OMKAR SPECIALITY CHEMICALS LIMITED

Regd. & Corporate Office : Unit - III, B-34, M.I.D.C., Badlapur (East), Thane - 421 503, Maharashtra, India

Tel. : +91 (0251) 2697340, 2690651, Fax : +91 (0251) 2697347, 2691572

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

CIN : L24110MH2005PLC151589

Ref.: OSCL/SE/2017-18

Date: May 30, 2018

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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Dear Sir/Madam,

**Re: Outcome of Board Meeting held today i.e. May 30, 2018.**

In furtherance of our letter dated May 30, 2018 and pursuant to Regulation 30 and Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) 2015, we would like to inform you that the Board of Directors of Omkar Speciality Chemicals Limited in its meeting held today at 12 noon and concluded at 10.15 p.m. transacted the following business:

Approved the Audited Financial Results for the quarter and year ended March 31, 2018.

Please take the above on your record and acknowledge the receipt of the same.

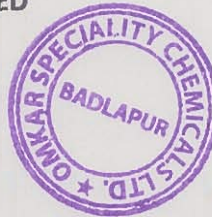
Thanking You,

Yours Faithfully,

For **OMKAR SPECIALITY CHEMICALS LIMITED**

**PRAVIN HERLEKAR**  
**CHAIRMAN & MANAGING DIRECTOR**

Encl: as above.





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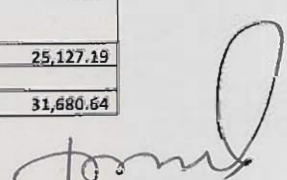
CIN : L24110MH2005PLC151589

## STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2018

Sr. No.	Particulars	(Rs. in Lakhs)	
		As at 31-03-2018	As at 31-03-2017
<b>I</b>	<b>ASSETS</b>		
	<b>(1) Non-current assets</b>		
	(a) Property, plant and equipment	7,598.36	8,279.90
	(b) Capital work in progress	-	-
	(c) Investment properties	14.93	-
	(c) Other intangible assets	15.83	12.47
	(f) Intangible assets under development	-	-
	(g) Biological Asset other than bearer plants	-	-
	(h) Non-current financial assets		
	(i) Non-current investments	94.48	13.90
	(ii) Trade receivables	-	-
	(ii) Loans	25.38	174.96
	(iv) Other	-	-
	(i) Deferred tax assets	1,593.37	2,381.64
	(e) Other non current Asset	756.82	1,659.40
	<b>Total Non current Assets</b>	<b>10,099.16</b>	<b>12,522.28</b>
	<b>(2) Current assets</b>		
	(a) Inventories	432.56	7,101.05
	(b) Financial assets		
	(i) Investments	997.14	-
	(ii) Trade receivables	1,030.14	7,819.36
	(iii) Cash and cash equivalent	135.92	448.55
	(iv) Bank balance other than (iii) above	9.87	609.19
	(v) Loans	1.01	2,962.03
	(vi) Others	-	87.17
	(c) Current tax asset (Net)	-	-
	(c) Other current assets	906.00	130.98
	<b>Total Current Assets</b>	<b>3,512.64</b>	<b>19,158.33</b>
	<b>TOTAL ASSETS</b>	<b>13,611.81</b>	<b>31,680.60</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	2,057.80	2,057.80
	(b) Other equity	(14,566.35)	(2,339.32)
	<b>Total equity</b>	<b>(12,508.55)</b>	<b>(281.52)</b>
	<b>Liabilities</b>		
	<b>(1) Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	7,640.18	5,790.36
	(b) Provisions	-	-
	(iii) Other non-current financial liabilities	30.72	8.92
	(b) Provisions (NC)	55.18	178.87
	(b) Deferred tax liabilities (Net)	-	979.93
	(d) Other non-current liabilities	-	-123.12
	<b>Total Non current liabilities</b>	<b>7,726.08</b>	<b>6,834.96</b>
	<b>(2) Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	14,631.53	11,161.64
	(ii) Trade payable	1,821.29	11,925.28
	(iii) Other financial liabilities	1,311.47	1,471.25
	(b) Other current liabilities	337.62	124.39
	(c) Provisions	292.39	444.63
	(d) Current tax liability	-	-
	<b>Total current liabilities</b>	<b>18,394.30</b>	<b>25,127.19</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,611.81</b>	<b>31,680.64</b>

Place : Badlapur  
Date : May 30, 2018



  
Chairman & Managing Director  
DIN : 00525610

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Statement of audited Financial Result for the Quarter and Year ended March 31, 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year to Date	
		31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Unaudited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
(I)	Revenue from Operations	3,718.63	2,258.53	9,155.55	19,763.93	34,501.67
(II)	Other income	179.72	(10.44)	(547.12)	368.50	224.81
(III)	<b>Total Income (I+II)</b>	<b>3,898.34</b>	<b>2,248.08</b>	<b>8,608.42</b>	<b>20,132.42</b>	<b>34,726.47</b>
(IV)	Expenses					
	Cost of materials consumed	5,228.26	1,735.82	5,008.79	15,578.13	19,652.32
	Purchases of Stock-in-Trade	1,803.81	-	-	4,354.88	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	127.25	81.18	1,275.49	1,108.59	3,987.57
	Employee benefits expense	201.53	(18.19)	98.37	392.38	870.36
	Finance costs	773.72	598.77	609.43	2,612.78	2,182.79
	Depreciation and amortization expense	241.46	166.61	234.87	815.73	1,089.93
	Other expenses	827.70	493.49	767.55	2,666.21	4,260.11
	<b>Total expenses (IV)</b>	<b>9,203.73</b>	<b>3,057.68</b>	<b>7,994.50</b>	<b>27,528.71</b>	<b>32,043.09</b>
(V)	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>(5,305.39)</b>	<b>(809.60)</b>	<b>613.92</b>	<b>(7,396.28)</b>	<b>2,683.39</b>
(VI)	Exceptional items	(0.00)	-	5,008.56	5,258.55	16,362.20
(VII)	<b>Profit / (Loss) before tax (V) - (VI)</b>	<b>(5,305.39)</b>	<b>(809.60)</b>	<b>(4,394.64)</b>	<b>(12,654.83)</b>	<b>(13,678.81)</b>
(VIII)	Tax expenses					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	110.33	(364.60)	(1,332.02)	(2,313.93)	(2,067.52)
	(3) Prior period tax Adjustment	(65.03)	120.94	(1,164.68)	55.91	(675.40)
	(4) MAT credit entitlement/ (utilised)	-	-	-	-	-
(XI)	<b>Profit for the period VI= (VII-VIII)</b>	<b>(5,350.68)</b>	<b>(565.94)</b>	<b>(1,897.94)</b>	<b>(10,396.80)</b>	<b>(10,935.89)</b>
(X)	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	12.74	-	39.76	24.86	39.76
(XI)	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (XI+X)</b>	<b>(5,337.94)</b>	<b>(565.94)</b>	<b>(1,858.18)</b>	<b>(10,371.94)</b>	<b>(10,896.13)</b>
(XII)	Paid-up Equity Share Capital	2,057.80	2,057.80	2,057.80	2,057.80	2,057.80
	Face Value (of Rs. 10/- each)	10.00	10.00	10.00	10.00	10.00
(XIII)	Reserve excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	(17,381.05)	(6,561.70)
(XIII)	Earnings per equity share					
	(1) Basic	(26.00)	(2.75)	(9.22)	(50.52)	(53.14)
	(2) Diluted	(26.00)	(2.75)	(9.22)	(50.52)	(53.14)



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**Notes :**

- 1 The Audit Committee has reviewed this result and the Board of Directors have approved the above results at their meetings held on May 30, 2018. The IND AS Compliant financial results pertaining to the year ended 31st March 2017, have not been subjected to limited review or audit. However, the management exercised necessary diligence to ensure that the financial results provide a true and fair view of its affairs for comparison purposes.
- 2 The Company has adopted Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder. The date of transition to Ind AS is 1st April, 2017 and accordingly, these financial results for all the periods presented have been in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and the other accounting principles generally accepted in India. The impact of transition has been accounted for in the opening reserves and the comparative period figures have been reinstated accordingly.
- 3 Cost of material consumed for the quarter and year ended 31st March 2018 includes Rs.34.34 Crores and Rs. 58.47 Crores respectively being exceptional/ one time loss on amount of deterioration in the quality of materials and the rejection of compensation claim filed by the company with the vendors. The cost of material consumed also includes Rs.1.40 crores and Rs.2.66 crores respectively for the quarter ended and year ended 31st March 2018 on account decrease in the valuation of inventories due to change in the valuation methodology from standard cost to FIFO cost basis. The cost of material consumed also includes reduction in values of inventories by Rs.3.73 crores for the quarter ended and year ended 31st March 2018 on account of provision for slow and non moving items.
- 4 Other expenses for the quarter and the year ended 31st March' 2018 includes Rs. 4.59 Crores as the amount of devaluation in carrying value for investment as per the provision of Ind AS.
- 5 The loss for the quarter and year ended 31st March' 2018 is higher by Rs.44.06 crores and Rs.69.45 Crores respectively on account of above stated change in policies.
- 6 **Reconciliation Between financial Results as previous Reported under Previous GAAP and IND AS for the Qtr and Year Ended 31st march 2017**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended March 2017	Year Ended 31st March, 2017
1	Net Profit as per previous GAAP (Indian GAAP) Add / (Less) : <b>Adjustment of Composite scheme of Arrangement</b> Diminshion in value of fixed assets transferred to resulting Company.	(4,429.41) 6,321.38	(2,556.82)
a)	<b>Adjustment of Ind AS</b>		
1	Diminishing in values of assets on revaluation	(5,008.60)	(10,040.82)
2	fair valuation of financial liabilities	(95.37)	(239.69)
3	Expected Credit Loss on Trade Recievables	-	(120.83)
4	Provision of Trade Recievables	0.03	(1.94)
5	Depreciation on revalued Property Plant & Equipment	(136.22)	(265.48)
6	Acturial Gain Accounted for-Gratuity and Leave encashment	41.78	41.78
7	Trade Receivable Wrtnen Back		
8	Reversal of Excess Provision of Gratuity & Leave and encashment	110.73	110.73
	Deferred tax income due to revaluation of	1,337.51	2,176.94
	Subtotal	2,571.24	(8,339.31)
	<b>Net Profit as per IND AS</b>	<b>(1,858.17)</b>	<b>(10,896.13)</b>



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**7 Reconciliation of equity as on 31 March 2017 as previously reported under Previous GAAP to Ind AS**

Particulars	31st March, 2017
<b>Other equity reported under previous GAAP as on 31.03.2017</b>	<b>6,218.87</b>
<b>Adjustment:</b>	
1 Intangible Assets written off	(8,772.05)
2 Fair valuation of financial liabilities	(239.69)
3 Expected Credit Loss on Trade Receivables	(120.83)
4 Exceptional Items	-
5 Provision of Trade Receivables	(1.94)
6 Depreciation on revalued Property Plant & Equipment	(265.48)
7 Opening Ind AS adjustment	(218.90)
8 -Diminution in value of PPE due to Revaluation	(1,268.77)
9 Actuarial Gain Accounted for-Gratuity and Leave encashment	41.78
10 Reversal of Excess Provision of Gratuity & Leave and encashment	110.73
11 Trade Receivable Written Back	-
12 Deferred tax income due to revaluation of	2,176.94
<b>Total</b>	<b>(8,558.21)</b>
<b>Other equity reported under IND As as on 31-03-2017</b>	<b>(2,339.34)</b>

8 Profit /loss for the year ended 31.03.2016 are based on the de-merged statement of Profit & Loss. ( For the purpose IND AS )

9 Exceptional item of Rs. 52.58 crores represents the cost of research and development which will not fructify any long term benefits or assets. Hence be written off and shown as an exceptional items. This treatment is given in line with fair valuation method adopted in pursuance of adoption of Ind As.

10 Excess provision made in earlier period for Gratuity and leave encashment has been reversed in quarter ended 31st March 2018 on the basis of Actuarial valuation .

11 The figures for the previous periods have been re-grouped/re-arranged wherever considered necessary.

12 The figures of the last quarter are the balancing figures between audited figures in respect of the Full financial year upto 31st March, 2018 and the unaudited published year to date figure upto 31st Dec, 2017, being the date of the end of the 3rd Quarter of the Financial Year , which were subjected to limited review.

13 The results for the Quarter and year ended 31st March, 2018, periods presented have been audited by the Statutory Auditors of the Company. The statutory auditors have expressed an qualified audit opinion.

Place : Badlapur

Date : May 30, 2018



For OMKAR SPECIALITY CHEMICALS LIMITED

**PRAVIN HERLEKAR**  
Chairman & Managing Director  
DIN : 00525610

Independent Auditor's Report on the Annual Financial Results of **Omkar Speciality Chemicals Limited** Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of **Omkar Speciality Chemicals Limited**

1. We have audited the annual financial results ( 'the Statement') of **Omkar Speciality Chemicals Limited** ("the Company") for the year ended 31 March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations, 2015"). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter of the respective financial years had only been reviewed and not subjected to audit.
2. This Statement has been prepared on the basis of the Ind AS annual financial statements and reviewed unaudited quarterly financial results up to the end of the third quarter, which is the responsibility of the Company's Management. Our responsibility is to express an opinion on the Statement based on our audit of the Ind AS annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS), specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder and other accounting principles generally accepted in India and in compliance with requirements of Regulation 33 of SEBI Regulations, 2015.
3. We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes



examining, on a test check basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.

4. Basis for Qualified Conclusion:

- i. The Company has negative net worth as at 31<sup>st</sup> March 2018. The financial results have been prepared assuming that the company will continue as a going concern. Also the Financial statements do not include any adjustments that might result from the outcome of qualifications as per the succeeding paragraphs.
  - ii. The existing software used for inventory records is not satisfactory.
  - iii. The Company has not furnished the confirmations of certain trade payables and trade receivables. In view of the same, we are unable to comment on the consequential impact, if any.
  - iv. The Internal Financial Control over Financial Reporting (IFCR) in the Company requires to be strengthen significantly. Adequate IFCR policies, procedures should be laid down and overall internal controls and operating effectiveness needs to be strengthened.
5. Based on our review conducted as above, except for the effects of the matters described in the Basis for Qualified Conclusion paragraph, impact of which cannot be ascertained, in our opinion and to the best of our information and according to the explanations given to us, the Statement:

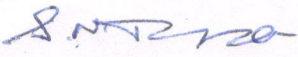


(i) is presented in accordance with the requirements of Regulation 33 of the SEBI Regulations, 2015 and SEBI circular dated 5<sup>th</sup> July 2016 in this regard; and

(ii) gives a true and fair view of the financial performance including other comprehensive income and other financial information for the year ended 31<sup>st</sup> March 2018.

6. The financial results for the comparative corresponding quarter and year ended 31 March 2017 included in the financial results, are based on the previously issued results of the Company prepared in accordance with Companies (Accounting Standards) Rule, 2006, audited by the predecessor auditors, whose audit report dated 20<sup>th</sup> may 2017 expressed an unmodified opinion on those financial results, and has been adjusted by Management for the differences in the accounting principles adopted by the Company on transition to Ind AS.

**For Desai Saksena & Associates**  
Chartered Accountants  
Firm's registration number: 102358W

  
Dr S.N. Desai  
Partner  
Membership number: 32546  
Mumbai 30<sup>th</sup> May 2018

