



पंजीकृत कार्यालय तथा फैक्टरी : पो. ऑ. रसायनी, जिला रायगड, महाराष्ट्र, भारत, पिन - ४१० २०७.
टेलीफोन / Tel. : 91 - 02192 - 258500 / 01 / 02 फैक्स / Fax : 91-02192-258503
Regd. Office & Factory : P. O. Rasayani, Dist. Raigad, Maharashtra, India, PIN - 410 207.
Website : www.hocl.gov.in / www.hoclinida.gov.in

हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड

(भारत सरकार का उद्यम)

HINDUSTAN ORGANIC CHEMICALS LIMITED

CIN: L99999MH1960GO1011895

(A Govt. of India Enterprise)

HOC/SEC/se-com/2017/07.26

1st July, 2017

The Manager

Listing Department,

FAX No. 022 265 982 37/38, 265 983 47/48

National Stock Exchange of India Ltd.,

"Exchange Plaza", C-1, Block G,

Bandra-Kurla Complex, Bandra(East),

MUMBAI 400 051.

Kind Attn.: Mr. Kautuk Upadhyay,
Manager

Dear Sir,

Sub : Submission of Statement on Disclosure of Impact of Audit Qualifications (for audit report with modified opinion) in the Annual Audited Financial Results (both Standalone & Consolidated) of our Company (HOCL) for the year ended 31-03-2017.

Ref. Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016.

Further to our filing of Financial Results(both Standalone & Consolidated) for the year ended 31-03-2017 with NSE on 30th May, 2017 and in compliance with Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016, please find enclosed herewith the Statement on Disclosure of Impact of Audit Qualifications (for audit report with modified opinion) along with Management View on Annual Audited Financial Results (both Standalone & Consolidated) our Company (HOCL) for the year ended 31-03-2017 as financial Enclosures. These Statements were approved & taken on record by the Board at their Board Meeting held on 29-05-2017.

Kindly acknowledge and take the same on your records in compliance of respective Regulation 33/52 of the Listing Regulations.

Further, please note that, these Statements on Disclosure of Impact of Audit Qualifications (for audit report with modified opinion) would form part of our 56th Annual Report of our Company for the year 2016-17 in compliance with applicable Regulations of the Listing Regulations.

Thanking you,

Yours faithfully,

For Hindustan Organic Chemicals Ltd.,

(Mrs. Susheela S. Kulkarni)

Company Secretary

Encl. : as above.

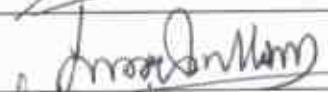
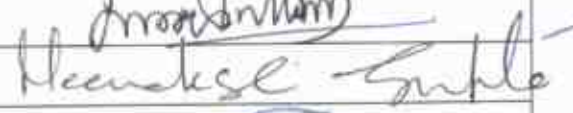
HINDUSTAN ORGANIC CHEMICALS LTD.

SEBI: Securities and Exchange Board of India

CIN: L99999MH1980GOI011895

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted alongwith Annual Audited Financial Results - **Standalone**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 (See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2015)				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income (Rs. in Lakhs)	14914.14	14914.14
	2	Total Expenditure	40471.60	40471.60
	3	Net Profit/(Loss)	-25557.46	-25557.46
	4	Earnings Per Share (Rs)	-38.05	-38.05
	5	Total Assets	24050.13	24050.13
	6	Total Liabilities	121042.82	121042.82
	7	Net Worth	-96992.69	-96992.69
	8	Any other financial item(s) (as felt appropriate by the management)	0.00	0.00
II	Audit Qualification (each audit qualification separately):			
	a	Details of Audit Qualification :	As per Annexure-1	
	b	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c	Frequency of qualification : Whether appeared in first time / repetitive / since how long continuing	Repeat qualification from earlier years. Management view in Annexure-1	
	d	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :	Not Quantified	
	e	For Audit Qualification(s) where the impact is not quantified by the auditor :	As per Annexure-1	
		(i) Management's estimation on the impact of audit qualification	Not Quantifiable	
		(ii) If management is unable to estimate the impact, reasons for the same:	in the absence of information / outcome of litigations the exact impact can not be estimated.	
		(iii) Auditors Comments on (i) or (ii) above	As per Annexure	
III	Signatories :			
	* Chairman and Managing Director			
	* CFO			
	* Audit Committee Chairman			
	* Statutory Auditor			
Place: Mumbai				
Date: 29.05.2017				



Received only on 11/7/2017 after signing by the signatories)



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11/7/2017

For Audit Qualification(s) where the impact is not quantified by the auditor :	Management Views
(A) (a) The balances of trade payables, loans & advances and other current assets and other debts / credit balances are pending for confirmations and reconciliations. (Note No. 41). The effect of the same on the loss is not ascertainable. This matter was qualified in Audit Report on the financial statements for the year ended March 31, 2016 as well.	These are running account balances and the company continues to followup with the parties for reconciliation of their balances. Any consequential adjustments will be carried out in the books of accounts during the next year.
(B) (b) In absence of current status of pending litigations and financial impact thereof, liabilities under such cases are not ascertainable and the foreseeable loss of the same is not considered while preparing financial results.	The pending litigations are pending with statutory authorities / different courts and the matters are subjudice. The liability if any will be known only on the final order on the respective cases are issued.
(C) (c) The Kochi unit of the Company has entered into long term supply contract with Gas Authority of India Limited (GAIL) for the supply of Liquefied Natural Gas in the year 2011 for the period of 15 years ending in 2026. Material foreseeable loss on this contract is not quantifiable in current scenario.	Necessary provision for the liability towards GAIL as per the contract for supply of LNG is being made in the books of accounts on monthly basis.



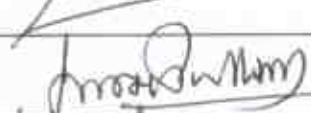
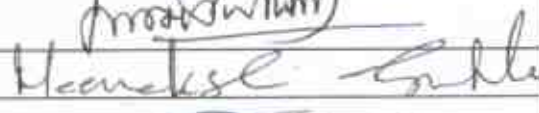
HINDUSTAN ORGANIC CHEMICALS LTD.

SEBI: Securities and Exchange Board of India

CIN: L99999MH1980GOI011895

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted alongwith Annual Audited Financial Results - Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 (See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)				
	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	18281.74	18281.74
	2	Total Expenditure	44112.95	44112.95
	3	Net Profit/(Loss)	(25831.21)	(25831.21)
	4	Earnings Per Share	(38.45)	(38.45)
	5	Total Assets	22766.25	22766.25
	6	Total Liabilities	127499.23	127499.23
	7	Net Worth	(104732.98)	(104732.98)
	8	Any other financial item(s) (as felt appropriate by the management)	0	0
II Audit Qualification (each audit qualification separately):				
	a.	Details of Audit Qualification :	As per Annexure-1	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification : Whether appeared in first time / repetitive / since how long continuing	Repeat qualification from earlier years. Management view in Annexure-1.	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :	Not Quantified	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor :	As per Annexure-1	
		(i) Management's estimation on the impact of audit qualification :	Not Quantifiable	
		(ii) If management is unable to estimate the impact, reasons for the same:	In the absence of information / outcome of litigations the exact impact can not be estimated	
		(iii) Auditors Comments on (i) or (ii) above	As per Annexure	
III Signatories :				
		Chairman and Managing Director		
		CFO		
		Audit Committee Chairman		
		Statutory Auditor		
		Place : Mumbai -		
		Date : 29.05.2017		



(Received only on 1/7/2017 after signing by the signatories.)

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As per Annexure-1

For Audit Qualification(s) where the impact is not quantified by the auditor :	Management Views
(A) The balances of trade payables, loans & advances and other current assets and other debts / credit balances are pending for confirmations and reconciliations (Note No. 41). The effect of the same on the loss is not ascertainable. This matter was qualified in Audit Report on the financial statements for the year ended March 31, 2016 as well.	These are running account balances and the company continues to followup with the parties for reconciliation of their balances. Any consequential adjustments will be carried out in the books of accounts during the next year.
(B) The financials of HOC-Chematur Ltd. in which the Holding Company holds 60% of the equity, has not been considered by the management in the consolidated financial statements for reasons stated in Note no. 33 to the consolidated financial statements	HOC-Chematur Ltd., had initiated the process of implementing the project, however, abandoned subsequently due to inadequate support from financial institutions. In view of such uncertainties involved in implementing the project, the Holding Company had fully provided for the losses against the investment. Since the project has been abandoned, the board of directors have decided to wind up the Holding Company under the early exit scheme of Ministry of Corporate Affairs.
(C) In absence of current status of pending litigations and financial impact thereof, liabilities under such cases are not ascertainable and the foreseeable loss of the same is not considered while preparing financial results.	The pending litigations are pending with statutory authorities / different courts and the matters are subjudice. The liability if any will be known only on the final order on the respective cases are issued.
(D) The Kochi unit of the Company has entered into long term supply contract with Gas Authority of India Limited (GAIL) for the supply of Liquefied Natural Gas in the year 2011 for the period of 15 years ending in 2026. Material foreseeable loss on this contract is not quantifiable in current scenario.	Necessary provision for the liability towards GAIL as per the contract for supply of LNG is being made in the books of accounts on monthly basis.

