

ANNUAL REPORT 2014-2015



OMKAR

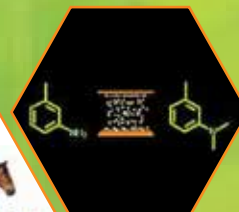
Always the leaders

OMKAR SPECIALITY CHEMICALS LIMITED

EMPOWERING

growth through

CATALYST CHEMISTRY





Standing from Left to right :

Mr. Prakash H. Rao, Dr. Vikas N. Telvekar, Mr. Subhash P. Mali, Mr. Vikas G. Gadre, Mr. Omkar P. Herlekar and Mr. Sitendu K. Sharma

Sitting from Left to right :

Mr. Rishikesh P. Herlekar, Mr. Subhash N. Ghalke, Mr. Pravin S. Herlekar, Mrs. Anjali P. Herlekar, Mrs. Sanjivani S. Patare, Prof. (Dr.) Suhas M. Rane and Mr. Laxmikant R. Kabra



Mr. Pravin S. Herlekar, CMD addressing a gathering of college students



Mr. Pravin S. Herlekar, CMD receiving Honours from Dignitaries

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CHAIRMAN'S MESSAGE



"Towards Sustainable Growth"

Dear Shareholders:

It gives me comfort to share with you that OSCL is continuing its journey on the growth path. Despite of all odds and challenges, the Company has been able to report a steady performance in the year 2014-15.

The Global Speciality Chemicals industry size is pegged at around USD 740 bn as per FICCI Speciality Chemical Report and 12th 5 year plan document accounting for roughly 22% of the Global Chemical Industry in general. Asia Pacific and Middle East countries are expected to contribute to the bulk of the future growth for this sector. The Indian Speciality Chemicals segment has emerged as one of the key beneficiary of high growth in end user industry and growth is likely to accelerate as India gains advantage over China.

As you are aware, OSCL has embarked upon the expansion of its capacities at various locations to cater to the increasing demands for its existing products as well as the new products which have been developed. Significant amount of capex has been done and practically all the Units of the Company including its subsidiaries have gone into operations except Unit No. V at Chiplun which is awaiting Environmental Clearance from the State Government. The proposal for this consent is now at fairly advance stage and we are quite hopeful to receive the clearance very shortly. This will enable the Company to enhance its capacities further to a significant extent during Current Year i.e. in FY 2015-16 itself. Further the delay in getting this clearance has resulted into delays for commissioning of this project and the Company's performance has been affected appreciably on account of the same.

Another issue faced by the Company was the continuing fall in the price of Iodine which happens to be one of the major raw-material for production of Iodine Derivatives which form almost 45-50% of Company's revenues. Even though the Company observed a volumetric growth of about 16% in production of these products, the topline achieved from this segment declined considerably.

The stressed Working Capital cycle was one another concern for the Company, which was highlighted in the Annual Report of FY 2013-14. The management had taken this as a major task and the Company has closely monitored the receivables as well as inventory levels and had taken all necessary steps to control the same. I am extremely happy to share with you that the Company has maneuvered this task very effectively and the Working Capital cycle has been brought under a control to a great extent. The management is confident to further improve upon this in coming quarters.

Despite the set-back received in the business in Iodine derivatives segment, the Company was able to post good profits mainly on account of launch of niche speciality molecules and growth in its API business which offer better margins.

During the Current Year i.e. FY2015-16, the focus of the Company will be to target products which will strive to yield better profitability as the fungibility of the facilities enable us to decide the product mix of our choice to maximize our gains. The management has also taken initiatives to cut down on various operational costs including the cost of finance.

Another important area which will help the Company in value addition is the Company's drive to go for backward and forward integrations of its value chain of products. These initiatives are making the Company fundamentally strong which will lead to sustainable growth in immediate future.

On behalf of the Board, I would like to thank all the stakeholders and I greatly appreciate your continuous support and faith in OSCL.

Sincerely,
Pravin S. Herlekar
 Chairman & Managing Director

WHOLE TIME DIRECTOR'S MESSAGE



"Ensuring Strong Fundamentals"

Dear Shareholders:

The speciality chemicals industry is a knowledge based sector competing on the basis of R&D capabilities and understanding of chemistry. Strong R&D capabilities backed by investment in complying pollution norms to bear fruit in future. Customer approval system and processes in this industry are highly elongated, as the customers need to be certain about the quality of product and consistency of order delivery. Based on the market study, we understood that, the speciality chemical segment is not only growing in India but also blossoming in the global market. We are also tapping various untapped markets and experiencing the increasing demand from every corner of the globe.

We had sensed the high potentials of global market requirement long back and prepared the road map for capturing the sizable contribution in the global market. The faster revenue growth can be achieved by sustaining capex in augmenting capacities both by means of setting up new capacities and de-bottlenecking existing capacities. With this, we embarked on capitalizing our efforts in increasing the manufacturing capacities for catering the requirements of the global market. The Company has invested aggressively on building up and expanding its capacities to get equipped for meeting the growing demands for its existing products and products newly developed.

The Unit VI of the Company located at Chiplun having volumetric capacity of 300 MTPA was commissioned in Q4 of FY 2014-15. In addition to this, the partial expansion of Unit of Lasa Laboratory Private Limited was completed and commissioned during FY 2014-15, which led to increase in the volumetric capacity of the said unit from 120 MTPA to 450 MTPA. These two capacities have already started contributing to the revenues and utilization of these capacities will gradually get buildup.

The major part of CWIP happens to be for Unit V of the Company located at Chiplun which is awaiting Environmental clearance from the State Government and the Management of the Company is quite hopeful to launch this project in coming quarters of the FY 2015-16. Further, the phase II expansions at the Unit No. VI, Unit of Lasa Laboratory Private Limited and Unit of Urdhwa Chemicals Company Private Limited are underway and running as per the schedule timelines. With the commissioning of these facilities, the Company is expected to post higher revenues in comparison to the previous financial years.

The Company is driven by the R&D activities relating to improvisation of existing processes and development of new molecules to cater to the needs of the customer. During FY 2014-15, The Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology has accorded renewal of recognition to the In-house R&D centre of the Company located at Plot No. 34, MIDC, Badlapur (E), Thane upto 31st March, 2017.

During the FY 2014-15, Lasa Laboratory Private Limited, wholly owned subsidiary of the Company has filed 7 process patents with the Patents Office, Govt of India. As on date, the count of patents filed by OSCL group has reached 18 in number and out of these, grants for two patents have already been accepted and registered in the name of the Company by Patents Office, Govt. of India. In addition to this, the Company has also prepared 13 DMF's till date. Moreover, Lasa Laboratory Private Limited, has been successful in obtaining the Certificate of Suitability from European Directorate for the Quality of Medicines & Healthcare (EDQM), for selling its product "FENBENDAZOLE". Furthermore, I wish to proudly state that the logo of the Company with its tagline "OMKAR - ALWAYS THE LEADERS" has been accepted and registered by the Registry of Trademark, Govt. of India.

We will continue our journey of value creation for all our stakeholders over the long run with your continuous support and faith in us. I thank you for resting your trust on me and providing me the opportunity to lead your company in this very dynamic industry.

Yours Sincerely,
Omkar P. Herlekar
 Whole Time Director

EXECUTIVE DIRECTOR'S MESSAGE



"Towards Becoming a Global Player"

Dear Shareholders:

The speciality chemical segment is a customer-oriented industry which is having potential to grow at a substantial rate. The Indian speciality chemical industry size is pegged at \$17bn. The growth in India is higher than the world's average. Export opportunity and growing domestic consumption for end user industry offers attractive growth opportunity for domestic speciality chemicals companies. Indian speciality chemical industry is in transition phase and is likely to reposition itself as a strategic partner for growth in knowledge based, processed driven chemicals. The change is likely to widen the prospects for industry as various global players look for opportunities for joining hands with Indian manufacturers.

Pursuant to the market study reports, the contribution of China in the global speciality chemicals segment is declining due to increasing cost pressure in China. The factors such as increasing cost of labour and power along with tightening pollution control norms have diluted the cost advantages enjoyed by the Chinese manufactures earlier. India is rightly placed to benefit from this emerging opportunity and can register multifold growth in exports market going forward.

It gives me a sigh of gratitude to mention that OSCL is gearing up to take-off for reaching on new heights during FY 2015-16. Despite of various hurdles like delays in the capacity expansion plans of the Company, continued falling prices of Iodine, the performance of the Company during FY 2014-15 remained stable and Company was able to post marginal increase in the revenues on the consolidated financials basis. For the Company, the Iodine Derivatives continue to maintain the leading position with its contribution of 48.81% in net sales of FY 2014-15. It

is followed by APIs and Advanced Intermediates representing 21.44% and 19.29% of the sales, respectively. Our exports have marginally increased from Rs. 62 cr. in FY 2013-14 to Rs. 67 cr. in FY 2014-15.

As regards to Iodine derivative segment, which is one of the major portfolio of the Company, the prices of iodine based raw material continued to fall & consequently the Company suffered on its topline growth. Even though the production volumes of iodine derivatives has grown by 16-17%, this does not resulted into topline growth. This factor was significantly responsible for the decline in top line of the Company for FY 2014-15.

The Company continues to foray into niche innovative products as well as new geographies, which have the potential for sustainable growth. The inventive approach, long-term planning and a rich product pipeline will automatically help the Company in keeping up a positive growth trajectory and earnings prospects.

During the FY 2014-15, we increased our global footprints by tapping the markets and customers in Europe, North America, South America, Asia, Australia, New Zealand and Africa. We focus on expanding our customer base by catering to the requirements of customers from various industry segments. In FY 2014-15, our top 30 customers contributed less than 40% of the total sales, with the largest customer contributing 10% of the total sales. This shows that our customer base is diverse which makes us less susceptible to market volatilities.

In a summary, I am proud to be a part of a business having a strong organic growth profile, leadership and people to take difficult decisions, to embrace opportunities and effectively manage risk. I also firmly believe that the Company has in place and consistently practiced good corporate governance, which is reflected by our values-transparency, professionalism and accountability.

On behalf of the Board and management team, I extend deep gratitude and thanks for your continued support.

Yours Sincerely
Rishikesh P. Herlekar
 Executive Director

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Pravin S. Herlekar

Chairman & Managing Director

Mr. Omkar P. Herlekar

Whole Time Director

Mrs. Anjali P. Herlekar

Non-Executive, Promoter and Woman Director

Mr. Rishikesh P. Herlekar (from 17th July, 2015)

Executive Director

Mr. Prakash H. Rao (from 17th July, 2015)

Executive Director

Prof. (Dr.) Suhas M. Rane

Non Executive - Independent Director

Mr. Subhash P. Mali

Non Executive - Independent Director

Dr. Vikas N. Telvekar

Non Executive - Independent Director

Mr. Amit A. Pandit (Upto 26th March, 2015)

Non Executive - Independent Director

Mr. Siddharth S. Sinkar (upto 26th March, 2015)

Non Executive - Non Independent Director

Mr. Laxmikant R. Kabra (from 26th March, 2015)

Non Executive - Non Independent Director

Mr. Sitendu K. Sharma (from 8th May, 2015)

Non Executive - Independent Director

Mrs. Sanjivani S. Patare (from 17th July, 2015)

Non Executive, Woman and Independent Director

Mr. Vikas G. Gadre (from 17th July, 2015)

Non Executive - Independent Director

Mr. Subhash N. Ghalke (from 17th July, 2015)

Non Executive - Independent Director

CIN: L24110MH2005PLC151589

Registered & Corporate Office:

B-34, M.I.D.C. Badlapur (E) Dist: Thane

State: Maharashtra

Tel No. +91(0251) 2690651, 2697340

Fax: +91(0251) 2691572, 2697347

E-mail address: info@omkarchemicals.com

Website: www.omkarchemicals.com

CHIEF FINANCIAL OFFICER

& CHIEF INVESTOR RELATION OFFICER:

Mr. Hiral Patel

COMPANY SECRETARY

& COMPLIANCE OFFICER:

Mr. Nirav Momaya

Statutory Auditors:

M/s J.P.J Associates

Chartered Accountants

Shop No. 16, Godavari CHS,

Shantivan, Borivali (E), Mumbai – 400066

Registrar & Share Transfer Agent:

M/s. Bigshare Services Pvt. Ltd.,

E-2, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (East), Mumbai – 400 072

Bankers:

Bank of Baroda

Citi Bank N.A.

Axis Bank Limited

HDFC Bank Limited

IndusInd Bank Limited

Tata Capital Financial Services Limited

COMPANY LOCATION

PLANTS:

Manufacturing Unit - I

W-92(A), W-93(A), W-94(A) & W-95(A), M.I.D.C.,
Badlapur (East), Thane - 421503, Maharashtra

Manufacturing Unit - II

F-24, M.I.D.C., Badlapur (East), Thane - 421503,
Maharashtra

Manufacturing Unit - III

B-34, M.I.D.C., Badlapur (East), Thane - 421503,
Maharashtra

Manufacturing Unit - IV

F-9 & F-10/1, M.I.D.C., Badlapur (East),
Thane - 421503, Maharashtra

Manufacturing Unit - V

D-27/4 & D-27/5, M.I.D.C., Lote Parshuram Industrial
Area, Chiplun, Dist. Ratnagiri, Maharashtra

Manufacturing Unit - VI

B-15 & B-16, Lote Parshuram Ind. Area, Village
Awashi, Taluka Khed, Dist. Ratnagiri, Maharashtra

SUBSIDIARIES:

1) Lasa Laboratory Private Limited

CIN : U24297MH1998PTC114317

Registered Office - F-9, MIDC, Badlapur (E), Thane -
421503, Maharashtra

Manufacturing Unit - Plot No. 105, MIDC, Mahad,
Dist. Raigad, Maharashtra

2) Urdhwa Chemicals Company Private Limited

CIN : U24110MH1986PTC040668

Registered Office - B-34, MIDC, Badlapur (E),
Thane - 421503, Maharashtra

Manufacturing Unit - C-4, C-4/1 & C-43, M.I.D.C.,
Lote Parshuram Industrial Area, Chiplun,
Dist. Ratnagiri, Maharashtra

3) Rishichem Research Limited

CIN : U24110MH1995PLC088969

Registered Office - W-83(C), MIDC, Badlapur (E),
Thane - 421503, Maharashtra

Manufacturing Unit - W-83(C), M.I.D.C., Badlapur
(East), Thane - 421503, Maharashtra

4) Desh Chemicals Private Limited

CIN : U24111MH1983PTC031424

Registered Office - B-34, MIDC, Badlapur (E),
Thane - 421503, Maharashtra

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Tenth Annual General Meeting of the members of Omkar Speciality Chemicals Limited will be held on Saturday, the 26th Day of September, 2015 at 11:00 A.M. at Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane – 421503, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March 2015 including Statement of Profit & Loss for the year ended 31st March, 2015 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March 2015 including Consolidated Statement of Profit & Loss for the year ended 31st March, 2015 and the Consolidated Balance Sheet as at that date together with the Reports of Auditors thereon.
3. To declare a dividend on the Equity Shares for the year ended on 31st March, 2015.
4. To appoint a Director in place of Mrs. Anjali P. Herlekar (DIN 00527420), who retires by rotation and being eligible, offers herself for re-appointment.
5. **Appointment of Auditors**

To ratify the appointment of Auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 9th August, 2014, the appointment of M/s J.P.J. Associates, Chartered Accountants, Mumbai (Firm Registration No. 113012W) as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2016 as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

6. **Appointment of Mr. Laxmikant R. Kabra (DIN 00061346) as a Non-Executive & Non-Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Laxmikant R. Kabra (DIN 00061346), who was appointed by the Board of Directors as an Additional Director in the capacity of Non-Executive and Non-Independent Director of the Company with effect from 26th March, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director in the capacity of Non-Executive and Non-Independent Director of the Company and he will be liable to retire by rotation.”

7. Appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sitendu K. Sharma (DIN 01956423), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 8th May, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Sitendu K. Sharma (DIN 01956423) has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 8th May, 2015 upto 7th May, 2020.”

8. Appointment of Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Vikas G. Gadre (DIN 06746818), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th July, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Vikas G. Gadre (DIN 06746818) has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 17th July, 2015 upto 16th July, 2020.”

9. Appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Subhash N. Ghalke (DIN 07239171), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th July, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Subhash N. Ghalke (DIN 07239171) has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 17th July, 2015 upto 16th July, 2020.”

10. Appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director in the capacity of Woman Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mrs. Sanjivani S. Patare (DIN 07239170), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th July, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Sanjivani S. Patare (DIN 07239170) has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director in the capacity of Woman Director of the Company with effect from 17th July, 2015 upto 16th July, 2020.”

11. Re-Appointment of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman and Managing Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the Articles of Association of the Company and subject to such other approval(s), if any as may be required and subject to any conditions and/or modifications as may be imposed and/or suggested by such authorities, while granting such approval(s), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Pravin S. Herlekar (DIN 00525610), as a Chairman and Managing Director of the Company for the period of five years with effect from 1st April, 2015 on the terms and conditions & Remuneration as set out in the Agreement dated 2nd February, 2015 between the Company and Chairman and Managing Director of the Company;

The major terms and conditions of the appointment are listed herein below:

- 1) Salary per month: Rs. 5,00,000/-;
- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
 - A. Personal accident insurance
 - B. Earned/Privileged Leave
 - C. Gratuity
 - D. Leave Encashment
 - E. Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 1st April, 2015 ending on 31st March, 2020;
- 7) The appointment may be terminated by either party by giving three months’ notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Pravin S. Herlekar (DIN 00525610), shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the limits specified under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, however, the overall remuneration paid to Mr. Pravin S. Herlekar (DIN 00525610), Chairman and Managing Director, by way of basic remuneration, perquisites, commission and other allowance(s), shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together in that financial year;

RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after 31st

March, 2016, during the tenure of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman & Managing Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Pravin S. Herlekar (DIN 00525610) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such act(s), deed(s), matter(s) and things and they may take such steps necessary, expedient or desirable in this regard.”

12. **Re-Appointment of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the Articles of Association of the Company and subject to such other approval(s), if any as may be required and subject to any conditions and/or modifications as may be imposed and/or suggested by such authorities, while granting such approval(s), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Omkar P. Herlekar (DIN 01587154), as a Whole Time Director of the Company for the period of five years with effect from 1st April, 2015 on the terms and conditions & Remuneration as set out in the Agreement dated 2nd February, 2015 between the Company and Whole Time Director of the Company;

The major terms and conditions of the appointment are listed herein below:

- 1) Salary per month: Rs. 1,50,000/-;
- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
 - A. Personal accident insurance
 - B. Earned/Privileged Leave
 - C. Gratuity
 - D. Leave Encashment
 - E. Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 1st April, 2015 ending on 31st March, 2020;
- 7) The appointment may be terminated by either party by giving three months’ notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Omkar P. Herlekar (DIN 01587154) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the limits specified under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, however, the overall remuneration

paid to Mr. Omkar P. Herlekar (DIN 01587154), Whole Time Director, by way of basic remuneration, perquisites, commission and other allowance(s), shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together in that financial year;

RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Omkar P. Herlekar (DIN 01587154) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such act(s), deed(s), matter(s) and things and they may take such steps necessary, expedient or desirable in this regard.”

13. Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as a Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Rishikesh P. Herlekar (DIN 05240009), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th July, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company and he will be liable to retire by rotation.”

14. Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the Articles of Association of the Company and subject to such other approval(s), if any as may be required and subject to any conditions and/or modifications as may be imposed and/or suggested by such authorities, while granting such approval(s), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Rishikesh P. Herlekar (DIN 05240009), as an Executive Director of the Company for the period of five years with effect from 17th July, 2015 on the terms and conditions & Remuneration as set out in the Agreement dated 17th July, 2015 between the Company and the Executive Director of the Company;

The major terms and conditions of the appointment are listed herein below:

- 1) Salary per month: Rs. 56,200/-;
- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
 - A. Personal accident insurance
 - B. Earned/Privileged Leave
 - C. Gratuity
 - D. Leave Encashment
 - E. Company car and telephone (including mobile)

- 6) Period of appointment: Five years beginning from 17th July, 2015 ending on 16th July, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Rishikesh P. Herlekar (DIN 05240009) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the limits specified under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, however, the overall remuneration paid to Mr. Rishikesh P. Herlekar (DIN 05240009), Executive Director, by way of basic remuneration, perquisites, commission and other allowance(s), shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together in that financial year;

RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Rishikesh P. Herlekar (DIN 05240009) as Executive Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Rishikesh P. Herlekar (DIN 05240009) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such act(s), deed(s), matter(s) and things and they may take such steps necessary, expedient or desirable in this regard.”

15. Appointment of Mr. Prakash H. Rao (DIN 07239167) as a Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Prakash H. Rao (DIN 07239167), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17th July, 2015, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company and he will be liable to retire by rotation.”

16. Appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the Articles of Association of the Company and subject to such other approval(s), if any as may be required and subject to any conditions and/or modifications as may be imposed and/or suggested by such authorities, while granting such approval(s), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Prakash H. Rao (DIN 07239167), as an Executive Director of the Company for the period of five years with effect from 17th July, 2015 on the terms and conditions & Remuneration as set out in the Agreement dated 17th July, 2015 between the Company and the Executive Director of the Company;

The major terms and conditions of the appointment are listed herein below:

- 1) Salary per month: Rs. 94,440/-;

- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
 - A. Personal accident insurance
 - B. Earned/Privileged Leave
 - C. Gratuity
 - D. Leave Encashment
 - E. Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 17th July, 2015 ending on 16th July, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Prakash H. Rao (DIN 07239167) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the limits specified under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, however, the overall remuneration paid to Mr. Prakash H. Rao (DIN 07239167), Executive Director, by way of basic remuneration, perquisites, commission and other allowance(s), shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together in that financial year;

RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Prakash H. Rao (DIN 07239167) as Executive Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Prakash H. Rao (DIN 07239167) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such act(s), deed(s), matter(s) and things and they may take such steps necessary, expedient or desirable in this regard.”

17. Approval of Cost Auditors Remuneration

To approve the remuneration of the Cost Auditors for the financial year ending 31st March 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s N. Ritesh & Associates, Cost Accountants, Mumbai (Firm Registration No. 100675), be and are hereby appointed as the Cost Auditors to carry out the audit of the Company's Cost Accounting records for the Financial Year 2015-16 at a remuneration of Rs. 75,000/- p.a., plus service tax, out-of-pocket, travelling and living expenses, etc.”

18. Grant of Employee Stock Options to the employees of the Company under OSCL ESOP 2015:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and such other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (which deem to include the provisions of the Companies Act, 1956) (“the Act”), subject to the Memorandum and Articles of Association of the Company, and subject to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI Regulation”) (including any statutory modifications or re-enactment of the Act or SEBI Regulation for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board [which term shall be deemed to mean and include the ESOP Compensation Committee constituted by the Board, to exercise its powers including the powers conferred by this resolution], approval and consent of the Company be and is hereby accorded to the Board to create, offer, grant, issue, and allot at any time or from time to time to the present and future employee(s) including Director(s) in the whole time employment of the Company, selected on the basis of criteria prescribed by the Board in accordance with the SEBI Regulations hereinafter referred to as “the Eligible Employees” of the Company except Promoters or a person who belongs to the Promoter Group, both these expressions being defined in the SEBI Regulations under the scheme titled “OSCL Employee Stock Option Plan, 2015” (hereinafter referred to as “Plan or OSCL ESOP 2015 or ESOP Scheme or Scheme”) such number of options as may be decided by the Board, which could give rise to the issue of 4,00,000 equity shares of face value of Rs. 10/- each fully paid up on payment of the requisite exercise price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide in accordance with the regulations or other provisions or the Law as may be prevailing at the relevant time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to or evolve, decide upon and bring into effect the ESOP Scheme and determine the detailed terms and conditions of the aforementioned ESOP Scheme, including but not limited to the quantum of the options to be granted under the ESOP Scheme (not exceeding 4,00,000 options convertible into equity shares), options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such options to such employees and directors of the Company at par or at such other price at such time and on such terms and conditions as set out in ESOP Scheme and as the Board from time to time or to suspend, withdraw or revive the ESOP Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and thing, as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with powers on behalf of the Company to settle any question, difficulties, or doubts, that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company;

RESOLVED FURTHER THAT the offer shall be in accordance with the terms and conditions as regards price, payment, application, allotment entitlement to dividend and other rights, transferability and all other matters as stipulated by the SEBI Regulations and in accordance with any other guidelines, rules, regulations and laws to the extent applicable and subject also to the Memorandum and Articles of Association of the Company provided that:

- (i) The Equity shares issued upon exercise of the options shall rank pari passu in all respects with the existing equity shares.
- (ii) In case of any corporate action(s) such as right issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustments to the option granted earlier, the above ceiling equity shares of face value of Rs. 10 each shall be deemed to be increased to the extent of such additional equity shares issued.
- (iii) The Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted upon conversion of the options granted under the ESOP Scheme on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.
- (iv) The maximum number of stock options that can be granted under the said ESOP Scheme to an employee in any financial year shall not amount to or exceed 1% of the issued equity share capital of the Company at the date of grant.

- (v) Each option granted to an eligible employee shall entitle him / her to one equity share of the nominal value of Rs. 10 each at the market price as defined in the SEBI Regulations on the date of grant of options or such other price as may be determined by the Board.
- (vi) Before granting the options to the employees under the plan, the Board, would, apart from examining and evaluating overall group corporate performance, inter alia, take into consideration the length of service, grade, performance, merit, key position, future potential contribution and conduct of the employee and such other factor as may be deemed appropriate by it.
- (vii) The Company shall conform to the accounting policies mandated by the applicable law or SEBI Regulations or any other regulation or direction as is applicable to the accounting of such options.
- (viii) The Board shall have the power to make consequential modifications or substitutions to the terms of the plan, as may be thought fit from time to time, provided that such modifications or alterations do not adversely affect the rights and interests of the option grantees or the members of the Company as is subject to the terms and conditions specified in the SEBI Regulations.
- (ix) Maximum period within which the options shall be vested is 10 years from the date of grant of options.
- (x) Options granted under the ESOP Scheme can be exercised within a period not exceeding 7 years from the date of vesting of options granted. The options granted under the ESOP Scheme would be exercisable by the employees by making an application to the designated person in the Company, in such manner, on execution of such documents and on such terms as may be decided by the Board. After the expiry of exercise period, the options granted under ESOP Scheme shall not be exercisable and shall lapse. However, lapsed options shall be available for fresh issue.

RESOLVED FURTHER THAT without prejudice to the generality of the above, but subject to the term as approved by the members, the Board be and is hereby authorized to implement the plan;

RESOLVED FURTHER THAT the Board be and is hereby authorized in whole or in part to do all such acts, deeds, matters, and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary or desirable and pay fees and commission and incur expenses in relation to or for implementing the Plan;

RESOLVED FURTHER THAT the said options may be granted / equity shares may be allotted in accordance with the plan framed in that behalf, directly to such Eligible Employees;

RESOLVED FURTHER THAT the Board may at its discretion, or in order to comply with any applicable rules or guidelines, add, amend, or put restrictions or any other conditions as it may deem fit;

RESOLVED FURTHER THAT the Plan may also envisage providing any financial assistance to the employees to enable the Eligible Employees to acquire, purchase or subscribe to the said equity shares of the Company in accordance with the provisions of the Act;

RESOLVED FURTHER THAT an ESOP Compensation Committee of the majority of the Independent Directors be constituted for the said "OSCL ESOP 2015";

RESOLVED FURTHER THAT the ESOP Compensation Committee of the Company as constituted by the Board be and is hereby authorized to identify the Eligible Employees and determine the number of options that may be offered to them pursuant to the Plan;

RESOLVED FURTHER THAT the Company shall value the options granted under the Plan, at their 'fair value, or intrinsic value' defined under the SEBI Regulations;

RESOLVED FURTHER THAT in case the Company calculates the employee compensation cost using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors Report and also the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors Report.”

19. **Grant of Employee Stock Options to the employees of the Subsidiary Companies of the Company under OSCL ESOP 2015:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and such other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (which deem to include the provisions of the Companies Act, 1956) (“the Act”), subject to the Memorandum and Articles of Association of the Company, and subject to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI Regulation”) (including any statutory modifications or re-enactment of the Act or SEBI Regulation for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board [which term shall be deemed to mean and include the ESOP Compensation Committee constituted by the Board, to exercise its powers including the powers conferred by this resolution], approval and consent of the Company be and is hereby accorded to the Board to create, offer, grant, issue, and allot at any time or from time to time to the present and future employee(s) including Director(s) in the whole time employment of the existing and future Subsidiary Company(ies) of the Company whether in or outside India, selected on the basis of criteria prescribed by the Board in accordance with the SEBI Regulations hereinafter referred to as “the Eligible Employees” of such Subsidiary Company, under the scheme titled “OSCL Employee Stock Option Plan, 2015” (hereinafter referred to as “Plan or OSCL ESOP 2015 or ESOP Scheme or Scheme”) such number of options as may be decided by the Board, which could give rise to the issue of 4,00,000 equity shares of face value of Rs. 10/- each fully paid up on payment of the requisite exercise price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide in accordance with the regulations or other provisions or the Law as may be prevailing at the relevant time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to or evolve, decide upon and bring into effect the ESOP Scheme and determine the detailed terms and conditions of the aforementioned ESOP Scheme, including but not limited to the quantum of the options to be granted under the ESOP Scheme (not exceeding 4,00,000 options convertible into equity shares), options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such options to such employees and directors of the Subsidiary Company(ies) at par or at such other price at such time and on such terms and conditions as set out in ESOP Scheme and as the Board from time to time or to suspend, withdraw or revive the ESOP Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and thing, as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with powers on behalf of the Company to settle any question, difficulties, or doubts, that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company;

RESOLVED FURTHER THAT the offer shall be in accordance with the terms and conditions as regards price, payment, application, allotment entitlement to dividend and other rights, transferability and all other matters as stipulated by the SEBI Regulations and in accordance with any other guidelines, rules, regulations and laws to the extent applicable and subject also to the Memorandum and Articles of Association of the Company provided that:

- (i) The Equity shares issued upon exercise of the options shall rank pari passu in all respects with the existing equity shares.
- (ii) In case of any corporate action(s) such as right issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustments to the option granted earlier, the above ceiling equity shares of face value of Rs. 10 each shall be deemed to be increased to the extent of such additional equity shares issued.
- (iii) The Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted upon conversion of

the options granted under the ESOP Scheme on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

- (iv) The maximum number of stock options that can be granted under the said ESOP Scheme to an employee in any financial year shall not amount to or exceed 1% of the issued equity share capital of the Company at the date of grant.
- (v) Each option granted to an eligible employee shall entitle him / her to one equity share of the nominal value of Rs. 10 each at the market price as defined in the SEBI Regulations on the date of grant of options or such other price as may be determined by the Board.
- (vi) Before granting the options to the employees under the plan, the Board, would, apart from examining and evaluating overall group corporate performance, inter alia, take into consideration the length of service, grade, performance, merit, key position, future potential contribution and conduct of the employee and such other factor as may be deemed appropriate by it.
- (vii) The Company shall conform to the accounting policies mandated by the applicable law or SEBI Regulations or any other regulation or direction as is applicable to the accounting of such options.
- (viii) The Board shall have the power to make consequential modifications or substitutions to the terms of the plan, as may be thought fit from time to time, provided that such modifications or alterations do not adversely affect the rights and interests of the option grantees or the members of the Company as is subject to the terms and conditions specified in the SEBI Regulations.
- (ix) Maximum period within which the options shall be vested is 10 years from the date of grant of options.
- (x) Options granted under the ESOP Scheme can be exercised within a period not exceeding 7 years from the date of vesting of options granted. The options granted under the ESOP Scheme would be exercisable by the employees by making an application to the designated person in the Company, in such manner, on execution of such documents and on such terms as may be decided by the Board. After the expiry of exercise period, the options granted under ESOP Scheme shall not be exercisable and shall lapse. However, lapsed options shall be available for fresh issue.

RESOLVED FURTHER THAT without prejudice to the generality of the above, but subject to the term as approved by the members, the Board be and is hereby authorized to implement the plan;

RESOLVED FURTHER THAT the Board be and is hereby authorized in whole or in part to do all such acts, deeds, matters, and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary or desirable and pay fees and commission and incur expenses in relation to or for implementing the Plan;

RESOLVED FURTHER THAT the said options may be granted / equity shares may be allotted in accordance with the plan framed in that behalf, directly to such Eligible Employees;

RESOLVED FURTHER THAT the Board may at its discretion, or in order to comply with any applicable rules or guidelines, add, amend, or put restrictions or any other conditions as it may deem fit;

RESOLVED FURTHER THAT the Plan may also envisage providing any financial assistance to the employees to enable the Eligible Employees to acquire, purchase or subscribe to the said equity shares of the Company in accordance with the provisions of the Act;

RESOLVED FURTHER THAT an ESOP Compensation Committee of the majority of the Independent Directors be constituted for the said "OSCL ESOP 2015";

RESOLVED FURTHER THAT the ESOP Compensation Committee of the Company as constituted by the Board be and is hereby authorized to identify the Eligible Employees and determine the number of options that may be offered to them pursuant to the Plan;

RESOLVED FURTHER THAT the Company shall value the options granted under the Plan, at their 'fair value, or intrinsic value' defined under the SEBI Regulations;

RESOLVED FURTHER THAT in case the Company calculates the employee compensation cost using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors Report and also the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors Report."

20. **Grant of Options to issue securities equal to or exceeding one per cent but not exceeding four per cent of the issued Capital of the Company during any one financial year to identified employees under OSCL ESOP 2015:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and such other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (which deem to include the provisions of the Companies Act, 1956) ("the Act"), subject to the Memorandum and Articles of Association of the Company, and subject to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulation") (including any statutory modifications or re-enactment of the Act or SEBI Regulation for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board [which term shall be deemed to mean and include the ESOP Compensation Committee constituted by the Board, to exercise its powers including the powers conferred by this resolution], and notwithstanding ceiling limit for Grant of Option during any one Financial Year to any employee or director of the Company not exceeding one per cent of the issued Capital of the Company, approval and consent of the Company be and is hereby accorded to the Board to create, offer, grant, issue, and allot at any time or from time to time to the identified employee(s) of the Company, selected on the basis of criteria prescribed by the Board in accordance with the SEBI Regulations hereinafter referred to as "the Eligible Employees" of the Company, under the scheme titled "OSCL Employee Stock Option Plan, 2015" (hereinafter referred to as "Plan or OSCL ESOP 2015 or ESOP Scheme or Scheme") for Grant of option, during any one year, equal to or exceeding one per cent but not exceeding four per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of option in one or more tranches, on such terms and conditions and in such manner as the Board may decide in accordance with the regulations or other provisions or the Law as may be prevailing at the relevant time."

NOTES:

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item No. 6 to 20 is annexed hereto. The additional information pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange(s) in respect of the Directors seeking appointment/re-appointment is furnished herewith.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, PARTNERSHIP FIRMS ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of

the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The members/proxies should bring the enclosed attendance slip duly filled in, for attending the Annual General Meeting. The copies of the Annual Report will not be distributed at the meeting.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Book closure & Dividend:
 - a) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 19th September, 2015 to Saturday, 26th September, 2015 (both days inclusive).
 - b) If the final dividend, as recommended by the Board of Directors is approved at the Annual General Meeting, the payment of such dividend will be made on or before Saturday, 24th October, 2015 as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on Friday, 18th September, 2015;
 - (ii) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of the transfer request lodged with the Company on or before the close of business hours on Friday, 18th September, 2015.
6. Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company Secretary at least seven days before the date of the meeting at the Registered Office to make the required information available.
7. The Securities and Exchange Board of India (SEBI), vide its circular dated 21st March, 2013, has mandated that all the cash payments to the investors, Companies whose securities are listed on the Stock Exchanges shall use any Reserve Bank of India (RBI) approved electronic mode of payment such as ECS (Local ECS / Regional ECS / National ECS), NEFT etc. for credit of dividend directly to the bank account of Members. Members holding share in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact No. etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Shares Transfer Agents, Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
8. Pursuant to Section 205A, 205C and other applicable provisions, if any, of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), all unclaimed / unpaid dividend, application money remaining unclaimed / unpaid for a period 7 (Seven) years from the date they became due for the payment, in relation to the Company, is required to be transferred to the "Investor Education and Protection Fund" set up by the Central Government. Members, who have not yet encashed their Dividend Warrants for the financial year ended 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 may approach the Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company / the Company for completion of necessary formalities to claim the dividend.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are requested to submit their PAN details and email ID to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details and email ID to the Company or Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company.
10. To support the “Green Initiative”, Members are requested to register/update their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company. The Notice of the Annual General Meeting along with the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the Clause 35B of the Listing Agreement, the members are provided with facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent / dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Assent/Dissent Form with the Notice. Instructions for Assent/Dissent Forms are given at the back of the said form and instructions for e-voting are given herein below. Resolution(s) passed by Members through Assent/Dissent Forms or e-voting is/are deemed to have been passed as if they have been passed at the AGM.
12. Mr. Nilesh A. Pradhan, of M/s Nilesh A. Pradhan & Co, Practicing Company Secretary (Membership No. FCS 5445), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Assent/Dissent Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
13. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by Assent/Dissent Form shall be able to exercise their right at the meeting.
14. The members who have cast their vote by remote e-voting or by Assent/Dissent Form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
15. Members can opt for only one mode of voting i.e. either by Assent/Dissent Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Assent/Dissent Form shall be treated as invalid.
16. In case a Member is desirous of obtaining a duplicate ballot form he may send an e-mail to cs@omkarchemicals.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Assent/Dissent Form should reach the Registered Office of the Company not later than Friday, 25th September, 2015 (5:00 PM IST). Assent/Dissent Form received after this date will be treated as invalid.
17. Instructions for e-voting
 - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories):
 1. Open the e-mail and also open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 2. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 3. Click on Shareholder – Login.

4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 5. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 6. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.
Please take utmost care to keep your password confidential.
 7. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 8. Select “EVEN” (E-Voting Event Number) of Omkar Speciality Chemicals Limited.
Now you are ready for e-voting as Cast Vote page opens.
 9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 10. Upon confirmation, the message “Vote cast successfully” will be displayed.
 11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@omkarchemicals.com, with a copy marked to evoting@nsdl.co.in.
 13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com or call on toll free No.: 1800-222-990.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
1. Initial password will be provided by Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company: EVEN (E-Voting Event Number), user ID and password.
 2. Please follow all steps from Sl. No. 2 to Sl. No. 13 above, to cast vote.

Other Instructions

1. The e-voting period commences on Wednesday, 23rd September, 2015 (9:00 AM IST) and ends on Friday, 25th September, 2015 (5:00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 19th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
2. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 19th September, 2015 (cut off date). A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting, voting through Assent/Dissent Form as well as voting at the meeting through Ballot.
3. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut off date, may obtain the login ID and Password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and Password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com.

4. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment in the Company and make not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.
5. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.omkarchemicals.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Date: 09/08/2015

Place: Badlapur

**By Order of the Board of Directors
Omkar Speciality Chemicals Limited**

Registered Office:

B-34, MIDC, Badlapur (E), Thane - 421503, Maharashtra

Tel.: +91 (0251) 2697340, 2690651,

Fax: +91 (0251) 2697347, 2691572

Email: investor@omkarchemicals.com;

Web: www.omkarchemicals.com;

CIN: L24110MH2005PLC151589

**Nirav Momaya
Company Secretary**

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

Name of Director	Mrs. Anjali P. Herlekar	Mr. Laxmikant R. Kabra
Director Identification No.	00527420	00061346
Date of Birth	3 rd May, 1960	9 th March, 1969
Date of appointment	20 th June, 2014	26 th March, 2015
Relationship with other Directors	Wife of Mr. Pravin S. Herlekar, Chairman & Managing Director and Mother of Mr. Omkar P. Herlekar, Whole Time Director and Mr. Rishikesh P. Herlekar, Executive Director	N.A.
Expertise in specific functional Areas	Mrs. Anjali P. Herlekar is a Non-Executive, Promoter and Woman Director of the Company. She has an overall experience of more than 20 years in the field of policy matters & HR administration in addition to her teaching experience. She joined Omkar Chemicals in the year 1995 and was responsible for activities related to human resource development. She was also a Director of Omkar Speciality Chemicals Limited from its incorporation till 29 th March, 2011.	Mr. Laxmikant R. Kabra is a Non-Executive and Non-Independent Director of the Company. He is an eminent Chartered Accountant having more than 23 years of experience in the fields of Income Tax, Company Law, Banking, Finance, Statutory Audit, Internal Audit, Concurrent Audit, Special Task Audit, Tax Audit, Bank Audit, Financial Institutions Audit, Designing and developing Internal Control and Check Systems etc. He has been practicing as a Chartered Accountant, in Mumbai, under the firm name M/s Laxmikant Kabra & Co. In the past, he has independently handled various assignments pertaining to the Companies like Unichem Laboratories Ltd., Jayant Vitamins Ltd., Rama News Prints Ltd., Carbon Everflow Ltd., Tata SSL Ltd., Sulphur Mills Ltd., UCB Ltd., Life Insurance Corporation of India, Oriental Insurance, Western India Coal Fields Ltd., Nationalised Banks, Charitable trusts, Co-op Soc., Partnerships firms etc.
Qualifications	Mrs. Anjali P. Herlekar is a Bachelor of Science (Physics) and Master of Education from University of Mumbai.	Mr. Laxmikant R. Kabra is a fellow member of The Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from Mumbai University.
No. of shares held in the Company	12,08,240 Equity Shares	35,500 Equity Shares

List of other Companies in which Directorship held.	N.A.	<ol style="list-style-type: none"> 1) Lake City Traders Pvt. Ltd. 2) Astec LifeSciences Ltd. 3) Astec Europe SPRL 4) Behram Chemicals Pvt. Ltd. 5) Astec Crop Care Pvt. Ltd. 6) Amarnath Securities Ltd. 7) Comercializadora Agricola Agrostrachem Cia Ltd. 8) Narendra Investments (Delhi) Ltd. 9) Ornate Chemicals Pvt. Ltd. 10) Ornate Finserve Pvt. Ltd.
Chairman / Member of the committees of the Board of the Companies on which he/she is a director (including OSCL).	<ol style="list-style-type: none"> 1) Omkar Speciality Chemicals Ltd.: a) Member of Corporate Social Responsibility Committee 	<ol style="list-style-type: none"> 1) Omkar Speciality Chemicals Ltd.: <ol style="list-style-type: none"> a) Member of Audit Committee b) Member of Corporate Social Responsibility Committee 2) Astec LifeSciences Ltd.: <ol style="list-style-type: none"> a) Member of Audit Committee b) Member of Nomination & Remuneration Committee c) Chairman of Stakeholders Relationship Committee d) Member of ESOP Compensation Committee e) Member of Risk Management Committee f) Member of Corporate Social Responsibility Committee 3) Amarnath Securities Ltd.: <ol style="list-style-type: none"> a) Member of Audit Committee b) Chairman of Stakeholders Relationship Committee

Name of Director	Mr. Sitendu K. Sharma	Mr. Vikas G. Gadre
Director Identification No.	01956423	06746818
Date of Birth	31 st July, 1969	11 th December, 1951
Date of appointment	8 th May, 2015	17 th July, 2015
Relationship with other Directors	N.A.	N.A.

Expertise in specific functional Areas	Mr. Sitendu K. Sharma is an Independent Director of the Company. He is an eminent Chartered Accountant having over 25 years of experience in the area of finance, tax planning, service tax etc. He has been practicing as a Chartered Accountant, in Mumbai, under the firm name M/s Sitendu Sharma & Company.	Mr. Vikas G. Gadre is an Independent Director of the Company. Presently, he is heading Bombay Chamber of Commerce and Industry, a premier Chamber of commerce as Director General. He is also engaged in teaching business strategy, IT strategy and IT Governance at, JBIMS, NMIMS Mumbai. He is also on the board of studies for information technology at NMIMS Mumbai. He is also serving on advisory panel for Wellingkar institute of management studies and S P Jain institute for management studies. He is also serving on the advisory panel for CSI Mumbai, Bombay stock exchange etc. He is also appointed on the Board of Governor of NITTTR (National Institute for Technical Teachers Training and Research) Bhopal which is one of the 4 central Govt. Institution for technical training. (The appointment is conducted by Ministry of Human Resources & Development Affairs, New Delhi). He is having overall experience of 40 years.
Qualifications	Mr. Sitendu K. Sharma is a fellow member of The Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from Mumbai University.	Mr. Vikas G. Gadre is B.Tech (Chemical) from IIT Bombay, MBA from IIM Bangalore, passed examinations conducted by ICSI and Certified quality analyst & Examiner for TBEM.
No. of shares held in the Company	NIL	NIL
List of other Companies in which Directorship held.	1) Astec LifeSciences Ltd. 2) Astec Crop Care Pvt. Ltd. 3) Lasa Laboratory Pvt. Ltd.	1) iBot Control Systems India Private Limited
Chairman / Member of the mandatory committees of the Board of the Companies on which he/she is a director (including OSCL).	1) Omkar Speciality Chemicals Ltd.: a) Chairman of Audit Committee b) Member of Stakeholders Relationship Committee c) Member of Risk Management Committee 2) Astec LifeSciences Ltd.: a) Chairman of Audit Committee b) Member of Stakeholders Relationship Committee c) Chairman of ESOP Compensation Committee d) Member of Corporate Social Responsibility Committee	1) Omkar Speciality Chemicals Ltd.: a) Member of Audit Committee b) Member of Nomination & Remuneration Committee c) Chairman of Corporate Social Responsibility Committee

Name of Director	Mr. Subhash N. Ghalke	Mrs. Sanjivani S. Patare
Director Identification No.	07239171	07239170
Date of Birth	15 th September, 1950	28 th February, 1962
Date of appointment	17 th July, 2015	17 th July, 2015
Relationship with other Directors	N.A.	N.A.
Expertise in specific functional Areas	Mr. Subhash N. Ghalke is an Independent Director of the Company. He has worked as Project Engineer with Ageis Chemicals Industries, General Manager with Colgate Palmilive India Ltd. as well as Colgate Palmilive Nepal and Lime Chemicals Ltd., Senior VP with Jayant Oils and Derivatives Ltd. and was Ex.Director of Chemtrols Ltd. He is having overall 40 years of experience in designing, engineering and commisioning green field projects, Setting up of R&D Facilities, building of new manufacturing units etc. He has also received Global recognition at COLGATE for leading High Commitment work teams and globalizing its initiative.	Mrs. Sanjivani S. Patare is an Independent Director and Woman Director of the Company. She is practicing Advocate and legal advisor for last 20 years. She has been associated / working as Advocate for certain Commercial Banks, Other Co-op Banks and Financial Institutions.
Qualifications	Mr. Subhash N. Ghalke is a Bachelor of Technology from IIT Bombay and Master in Technology from IIT Kanpur	Mrs. Sanjivani S. Patare is a Commerce Graduate and Law Graduate from University of Pune.
No. of shares held in the Company	Nil	Nil
List of other Companies in which Directorship held.	N.A.	N.A.
Chairman / Member of the mandatory committees of the Board of the Companies on which he/she is a director (including OSCL).	1) Omkar Speciality Chemicals Ltd.: a) Chairman of Nomination & Remuneration Committee	1) Omkar Speciality Chemicals Ltd.: a) Chairperson of Stakeholders Relationship Committee

Name of Director	Mr. Pravin S. Herlekar	Mr. Omkar P. Herlekar
Director Identification No.	00525610	01587154
Date of Birth	2 nd October, 1949	13 th March, 1981
Date of appointment	24 th February, 2005	1 st June, 2007
Relationship with other Directors	Husband of Mrs. Anjali P. Herlekar, Non-Executive and Woman Director and Father of Mr. Omkar P. Herlekar, Whole Time Director and Father of Mr. Rishikesh P. Herlekar, Executive Director.	Son of Mr. Pravin S. Herlekar, Chairman & Managing Director and Mrs. Anjali P. Herlekar, Non-Executive and Woman Director and Brother of Mr. Rishikesh P. Herlekar, Executive Director.
Expertise in specific functional Areas	Mr. Pravin S. Herlekar is a Chairman & Managing Director and the one of the Promoter of the Company. He has an overall experience of around 42 years in the field of Product Development, Marketing and Administration. He is the Founder of the Company and has been actively involved in the business of the Company since its inception. He has been instrumental in playing a key role in the Company's growth with his inputs in Strategic Planning and Business Development. Over the years, he has played a vital role in expanding the operations and directing the Company's growth in a defined manner.	Mr. Omkar P. Herlekar is the Whole Time Director and the one of the Promoter of the Company. He has an overall experience of 8 years. He spearheads the Research & Development activities of OSCL and supervises the entire factory operations. He is also actively involved in the setting up and implementation of new manufacturing units of the Group. He has the ability to sequester a project within a vertical and then analyze it threadbare on various dimensions with elan, including strategic, financial, marketing, R&D and branding.
Qualifications	Mr. Pravin S. Herlekar is a Bachelor of Technology in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and is a Post Graduate in Management Studies from Mumbai University.	Mr. Omkar P. Herlekar is a Bachelor of Science and Master of Science (By Research) in Chemistry from the University of Mumbai.
No. of shares held in the Company	97,15,971 Equity Shares	8,84,483 Equity Shares
List of other Companies in which Directorship held.	<ol style="list-style-type: none"> 1) Rishichem Research Ltd. 2) Lasa Laboratory Pvt. Ltd. 3) Urdhwa Chemicals Company Pvt. Ltd. 4) Desh Chemicals Pvt. Ltd. 5) Svaks Biotech India Pvt. Ltd. 6) Delicare LifeSciences Pvt. Ltd. 	<ol style="list-style-type: none"> 1) Urdhwa Chemicals Company Pvt. Ltd. 2) Lasa Laboratory Pvt. Ltd. 3) Svaks Biotech India Pvt. Ltd. 4) Delicare LifeSciences Pvt. Ltd. 5) Rishichem Research Ltd. 6) Desh Chemicals Pvt. Ltd. 7) Harishree Aromatics & Chemicals Pvt. Ltd.
Chairman / Member of the mandatory committees of the Board of the Companies on which he/she is a director (including OSCL).	<ol style="list-style-type: none"> 1) Omkar Speciality Chemicals Ltd.: <ol style="list-style-type: none"> a) Member of Corporate Social Responsibility Committee 	<ol style="list-style-type: none"> 1) Omkar Speciality Chemicals Ltd.: <ol style="list-style-type: none"> a) Member of Stakeholders Relationship Committee b) Member of Risk Management Committee

Name of Director	Mr. Rishikesh P. Herlekar	Mr. Prakash H. Rao
Director Identification No.	05240009	07239167
Date of Birth	28 th March, 1991	3 rd December, 1960
Date of appointment	17 th July, 2015	17 th July, 2015
Relationship with other Directors	Son of Mr. Pravin S. Herlekar, Chairman & Managing Director and Mrs. Anjali P. Herlekar, Non-Executive and Woman Director and Brother of Mr. Omkar P. Herlekar, Whole Time Director	N.A.
Expertise in specific functional Areas	Mr. Rishikesh P. Herlekar is an Executive Director of the Company. He is engaged in Business Development of OSCL Group by Identifying and targeting new areas of business including new products and new customers, expanding exports of Company's products to various geographies in different continents, maintaining customer relationship. He is also involved in Accounting, Audit & Finance area, Coordinating with Production, Quality Production, Quality Assurance and related Regulatory Matters. He is having overall experience of 2 years.	Mr. Prakash H. Rao is an Executive Director of the Company. He started his carrier in Administration Department in the early 80's and worked with various textile mills and later on became General Manager. He has over 20 years of experience in the field of Human Resource, Administration, Public Relations and Safety. In the year 2005, he was honoured by DISH for contribution toward Safety in the Industrial belt. He was also invited to be a member of Rotary Club, wherein, he has played an active role in helping and coordinating with school children for environment, safety and health. He joined OSCL as VP Human Resource, Administration and Public Relations and he was pioneer in lifting the organization to the new heights and played a key role in compliances and coordinating with all the Govt. Agencies like MPCB, MIDC, DISH, Labour Department, FDA, Environmental Audits, PF, ESIC and such other related agencies.
Qualifications	Mr. Rishikesh P. Herlekar is a B.E. (Chemicals) graduate and pursuing M. Tech in Pharmaceuticals Sciences.	Mr. Prakash H. Rao is commerce graduate from University of Bombay
No. of shares held in the Company	7,66,510 Equity Shares	Nil
List of other Companies in which Directorship held.	1) Lasa Laboratory Private Limited 2) Svaks Biotech India Private Limited 3) Delicare LifeSciences Private Limited 4) Rishichem Research Limited	N.A.
Chairman / Member of the mandatory committees of the Board of the Companies on which he/she is a director (including OSCL).	1) Omkar Speciality Chemicals Ltd.: a) Member of Risk Management Committee	1) Omkar Speciality Chemicals Ltd.: a) Member of Corporate Social Responsibility Committee

STATEMENT PURSUANT TO SECTION 102(1) OF
THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 6:

The Board of Directors, at its meeting held on 26th March, 2015, appointed Mr. Laxmikant R. Kabra (DIN 00061346) as an Additional Director in the capacity of Non-Executive and Non-Independent Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Laxmikant R. Kabra (DIN 00061346) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Laxmikant R. Kabra (DIN 00061346) for the office of Non-Executive and Non-Independent Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

The Company has received from Mr. Laxmikant R. Kabra (DIN 00061346) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Laxmikant R. Kabra (DIN 00061346) as a Non-Executive and Non-Independent Director of the Company, pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will be liable to retire by rotation.

No Director, Key Managerial Personnel or their relatives, except Mr. Laxmikant R. Kabra (DIN 00061346), to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

Item No. 7:

The Board of Directors, at its meeting held on 8th May, 2015, appointed Mr. Sitendu K. Sharma (DIN 01956423) as an Additional Director in the capacity of Independent Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Sitendu K. Sharma (DIN 01956423) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Sitendu K. Sharma (DIN 01956423) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Sitendu K. Sharma (DIN 01956423) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director of the Company for a period up to 7th May, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Sitendu K. Sharma (DIN 01956423), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Mr. Sitendu K. Sharma (DIN 01956423), to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

Item No. 8:

The Board of Directors, at its meeting held on 17th July, 2015, appointed Mr. Vikas G. Gadre (DIN 06746818) as an Additional Director in the capacity of Independent Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Vikas G. Gadre (DIN 06746818) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Vikas G. Gadre (DIN 06746818) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Vikas G. Gadre (DIN 06746818) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director of the Company for a period up to 16th July, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Vikas G. Gadre (DIN 06746818), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Mr. Vikas G. Gadre (DIN 06746818), to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 8 for the approval of the members.

Item No. 9:

The Board of Directors, at its meeting held on 17th July, 2015, appointed Mr. Subhash N. Ghalke (DIN 07239171) as an Additional Director in the capacity of Independent Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Subhash N. Ghalke (DIN 07239171) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Subhash N. Ghalke (DIN 07239171) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Subhash N. Ghalke (DIN 07239171) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director of the Company for a period up to 16th July, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Subhash N. Ghalke (DIN 07239171), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Mr. Subhash N. Ghalke (DIN 07239171), to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 9 for the approval of the members.

Item No. 10:

The Board of Directors, at its meeting held on 17th July, 2015, appointed Mrs. Sanjivani S. Patare (DIN 07239170) as an Additional Director in the capacity of Independent Director and Woman Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Sanjivani S. Patare (DIN 07239170) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Sanjivani S. Patare (DIN 07239170) for the office of Independent Director in the capacity of Woman Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Sanjivani S. Patare (DIN 07239170) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director in the capacity of Woman Director of the Company for a period up to 16th July, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Mrs. Sanjivani S. Patare (DIN 07239170), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is independent of the Management. A copy of the draft letter for the appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director setting out the terms

and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Mrs. Sanjivani S. Patare (DIN 07239170), to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 10 for the approval of the members.

Item No. 11:

The Board of Directors at their meeting held on 2nd February, 2015 has re-appointed (Subject to the approval of Members in the general meeting) Mr. Pravin S. Herlekar (DIN 00525610) as a Chairman and Managing Director of the Company for a further period of five years commencing from 1st April, 2015 till 31st March, 2020.

The terms and conditions of his re-appointment are as follows:

- 1) Salary per month: Rs. 5,00,000/-. The salary break-up is given herein below:

Name:	Mr. Pravin S. Herlekar
DIN:	00525610
Designation:	Chairman and Managing Director
SALARY BREAKUP (Rs.)	
Basic Salary	1,20,000
HRA(40%)	48,000
Conveyance	800
Mediclaime	1,250
LTA	1,00,000
Other Allowance	2,29,950
Monthly Gross	5,00,000
Employer PF(12%)	-
Employer ESIC(4.75%)	-
Monthly CTC	5,00,000
Annual CTC	60,00,000
NET CALCULATION	
Monthly Gross	5,00,000
Less Employee PF (12%)	-
Less Employee ESIC(1.75%)	-
Less Professional Tax	200
Net in Hand(Subject to TDS on salary)	4,99,800

- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;

- 5) Other benefits – as per the rules of the Company:
- A. Personal accident insurance
 - B. Earned/Privileged Leave
 - C. Gratuity
 - D. Leave Encashment
 - E. Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 1st April, 2015 ending on 31st March, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Pravin S. Herlekar (DIN 00525610) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors;
- 9) Overall Remuneration:

The aggregate of salary, bonus, other allowances/perquisites and commission in any financial year shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together or such limit prescribed from time to time under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may for the time being in force.

- 10) Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman & Managing Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Pravin S. Herlekar (DIN 00525610) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

During the last year of the proposed tenure of his re-appointment (i.e. in FY 2019-20), Mr. Pravin S. Herlekar (DIN 00525610) will be attaining the age of 70 years. Mr. Pravin S. Herlekar (DIN 00525610) is the Founder and one of the Promoter of the Company and is acting as a Chairman and Managing Director of the Company since 1st April, 2010. He has been actively involved in the business of the Company since its inception. He has been instrumental in playing a key role in the Company's growth with his inputs in Strategic Planning and Business Development.

The resolution seeks the approval of the members in terms of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the re-appointment of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman and Managing Director for the further period of five years commencing from 1st April, 2015 till 31st March, 2020 and the remuneration payable to him during such tenure.

Mr. Pravin S. Herlekar (DIN 00525610) may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding in respect of his appointment as a Chairman and Managing Director.

Mrs. Anjali P. Herlekar (DIN 00527420), Non-Executive and Woman Director, Mr. Omkar P. Herlekar (DIN 01587154), Whole Time Director and Mr. Rishikesh P. Herlekar (DIN 05240009), Executive Director of the Company, being the relatives of Mr. Pravin S. Herlekar (DIN 00525610), are concerned or interested in this resolution.

The Board recommends the resolution set forth in Item No. 11 for the approval of the members.

Item No. 12:

The Board of Directors at their meeting held on 2nd February, 2015 has re-appointed (Subject to the approval of Members in the general meeting) Mr. Omkar P. Herlekar (DIN 01587154) as a Whole Time Director of the Company for a further period of five years commencing from 1st April, 2015 till 31st March, 2020.

The terms and conditions of his re-appointment are as follows:

- 1) Salary per month: Rs. 1,50,000/-. The salary break-up is given herein below:

Name:	Mr. Omkar P. Herlekar
DIN:	01587154
Designation:	Whole Time Director
SALARY BREAKUP	(Rs.)
Basic Salary	94,000
HRA(40%)	37,600
Conveyance	800
Medicclaim	1,250
LTA	5,070
Monthly Gross	1,38,720
Employer PF(12%)	11,280
Employer ESIC(4.75%)	-
Monthly CTC	1,50,000
Annual CTC	18,00,000
NET CALCULATION	
Monthly Gross	1,38,720
Less Employee PF (12%)	11,280
Less Employee ESIC(1.75%)	-
Less Professional Tax	200
Net in Hand(Subject to TDS on salary)	1,27,240

- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
- Personal accident insurance
 - Earned/Privileged Leave
 - Gratuity
 - Leave Encashment
 - Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 1st April, 2015 ending on 31st March, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;

8) Mr. Omkar P. Herlekar (DIN 01587154) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

9) Overall Remuneration:

The aggregate of salary, bonus, other allowances/perquisites and commission in any financial year shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together or such limit prescribed from time to time under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may for the time being in force.

10) Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Omkar P. Herlekar (DIN 01587154) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

The resolution seeks the approval of the members in terms of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the re-appointment of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director for the further period of five years commencing from 1st April, 2015 till 31st March, 2020 and the remuneration payable to him during such tenure.

Mr. Omkar P. Herlekar (DIN 01587154) may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding in respect of his appointment as a Whole Time Director.

Mr. Pravin S. Herlekar (DIN 00525610), Chairman & Managing Director, Mrs. Anjali P. Herlekar (DIN 00527420), Non-Executive and Woman Director and Mr. Rishikesh P. Herlekar (DIN 05240009), Executive Director of the Company, being the relatives of Mr. Omkar P. Herlekar (DIN 01587154), are concerned or interested in this resolution.

The Board recommends the resolution set forth in Item No. 12 for the approval of the members.

Item No. 13 & 14:

The Board of Directors, at its meeting held on 17th July, 2015, appointed Mr. Rishikesh P. Herlekar (DIN 05240009) as an Additional Director in the capacity of Executive Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Rishikesh P. Herlekar (DIN 05240009) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Rishikesh P. Herlekar (DIN 05240009) for the office of Executive Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

The Company has received from Mr. Rishikesh P. Herlekar (DIN 05240009) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director of the Company, pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will be liable to retire by rotation.

The Board of Directors at their meeting held on 17th July, 2015 has appointed (Subject to the approval of Members in the general meeting) Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director of the Company for a period of five years commencing from 17th July, 2015 till 16th July, 2020.

The terms and conditions of his appointment are as follows:

- 1) Salary per month: Rs. 56,200/-. The salary break-up is given herein below:

Name:	Mr. Rishikesh P. Herlekar
DIN:	05240009
Designation:	Executive Director
SALARY BREAKUP	(Rs.)
Basic Salary	25,000
HRA(40%)	10,000
Mediclaime	1,250
LTA	4,500
Other Allowance	12,450
Monthly Gross	53,200
Employer PF(12%)	3,000
Employer ESIC(4.75%)	-
Monthly CTC	56,200
Annual CTC	6,74,400
NET CALCULATION	
Monthly Gross	53,200
Less Employee PF (12%)	3,000
Less Employee ESIC(1.75%)	-
Less Professional Tax	200
Net in Hand(Subject to TDS on salary)	50,000

- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
- Personal accident insurance
 - Earned/Privileged Leave
 - Gratuity
 - Leave Encashment
 - Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 17th July, 2015 ending on 16th July, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;

8) Mr. Rishikesh P. Herlekar (DIN 05240009) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

9) Overall Remuneration:

The aggregate of salary, bonus, other allowances/perquisites and commission in any financial year shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together or such limit prescribed from time to time under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may for the time being in force.

10) Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Rishikesh P. Herlekar (DIN 05240009) as Executive Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Rishikesh P. Herlekar (DIN 05240009) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

The resolution seeks the approval of the members in terms of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director for the period of five years commencing from 17th July, 2015 till 16th July, 2020 and the remuneration payable to him during such tenure.

Mr. Rishikesh P. Herlekar (DIN 05240009) may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding in respect of his appointment as an Executive Director.

Mr. Pravin S. Herlekar (DIN 00525610), Chairman & Managing Director, Mrs. Anjali P. Herlekar (DIN 00527420), Non-Executive and Woman Director and Mr. Omkar P. Herlekar (DIN 01587154), Whole Time Director of the Company, being the relatives of Mr. Rishikesh P. Herlekar (DIN 05240009), are concerned or interested in this resolution.

The Board recommends the resolutions set forth in Item No. 13 & 14 for the approval of the members.

Item No. 15 & 16:

The Board of Directors, at its meeting held on 17th July, 2015, appointed Mr. Prakash H. Rao (DIN 07239167) as an Additional Director in the capacity of Executive Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Prakash H. Rao (DIN 07239167) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Prakash H. Rao (DIN 07239167) for the office of Executive Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

The Company has received from Mr. Prakash H. Rao (DIN 07239167) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director of the Company, pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will be liable to retire by rotation.

The Board of Directors at their meeting held on 17th July, 2015 has appointed (Subject to the approval of Members in the general meeting) Mr. Prakash H. Rao (DIN 07239167) as an Executive Director of the Company for a period of five years commencing from 17th July, 2015 till 16th July, 2020.

The terms and conditions of his appointment are as follows:

- 1) Salary per month: Rs. 94,440/-. The salary break-up is given herein below:

Name:	Mr. Prakash H. Rao
DIN:	07239167
Designation:	Executive Director
SALARY BREAKUP	(Rs.)
Basic Salary	37,000
HRA	3,650
Conveyance	800
Medicclaim	1,250
LTA	1,600
Other Allowance	45,700
Monthly Gross	90,000
Employer PF(12%)	4,440
Employer ESIC(4.75%)	-
Monthly CTC	94,440
Annual CTC	11,33,280
NET CALCULATION	
Monthly Gross	90,000
Less Employee PF (12%)	4,440
Less Employee ESIC(1.75%)	-
Less Professional Tax	200
Net in Hand(Subject to TDS on salary)	85,360

- 2) Commission: payable at such intervals as may be decided by the Board of Directors;
- 3) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 4) Leave Travel Allowance: For self and family once in a year, as decided by the Board from time to time;
- 5) Other benefits – as per the rules of the Company:
- Personal accident insurance
 - Earned/Privileged Leave
 - Gratuity
 - Leave Encashment
 - Company car and telephone (including mobile)
- 6) Period of appointment: Five years beginning from 17th July, 2015 ending on 16th July, 2020;
- 7) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;

8) Mr. Prakash H. Rao (DIN 07239167) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors and/or Chairman and Managing Director, subject to superintendence, guidance and control of the Board of Directors and/or Chairman and Managing Director;

9) Overall Remuneration:

The aggregate of salary, bonus, other allowances/perquisites and commission in any financial year shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together or such limit prescribed from time to time under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may for the time being in force.

10) Minimum Remuneration:

Notwithstanding anything herein above stated, where in any financial year closing on or after 31st March, 2016, during the tenure of Mr. Prakash H. Rao (DIN 07239167) as Executive Director of the Company, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Prakash H. Rao (DIN 07239167) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

The resolution seeks the approval of the members in terms of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director for the period of five years commencing from 17th July, 2015 till 16th July, 2020 and the remuneration payable to him during such tenure.

Mr. Prakash H. Rao (DIN 07239167) may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding in respect of his appointment as an Executive Director.

The Board recommends the resolutions set forth in Item No. 15 & 16 for the approval of the members.

Item No. 17:

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s N. Ritesh & Associates, Cost Accountants, Mumbai (Firm Registration No. 100675) to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016 at a remuneration of Rs. 75,000/- p.a.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in Item No. 17 for the approval of the members.

Item No. 18 & 19:

The global business environment is becoming increasingly competitive and the Company has been adopting appropriate measures for attracting and retaining qualified, talented and competent personnel. In order to impart a sense of belonging and ownership amongst the Company's key employees, it is proposed to introduce new Stock Option Plans titled "OSCL ESOP 2015" for Eligible Employees of the Company and its Subsidiary Company(ies) (excepting promoter employees) as stated in the resolutions and as may be permitted by law. Your Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies)

on the growth path. The objective of the ESOP Scheme is to provide an incentive to attract and retain the key employees by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

Accordingly the Board of Directors (“the Board”) of the Company at its meeting held on 9th August, 2015 approved introduction of the OSCL ESOP 2015, subject to the Approval of the members and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the “SEBI Regulations”) as amended from time to time and authorised the Board (Including ESOP Compensation Committee) to formulate the detailed terms and conditions of the ESOP Scheme and to administer and implement the ESOP Scheme in accordance with the provisions of the SEBI Regulations as amended from time to time.

Approval of the members is being sought for issue of Stock Option to the eligible employees of the Company and its Subsidiary Company (in or outside India), including its Whole Time Directors, based on the recommendations from the Board of the Company. The ESOP Scheme is formulated in accordance with SEBI Regulations.

The main features of the ESOP Scheme are as under:

1. Total number of Options to be granted:

4,00,000 (Four Lacs only) Options exercisable into an aggregate of 4,00,000 (Four Lacs only) of Equity Shares in the Company of face value of Rs. 10/- each fully paid-up, would be available for grant to the eligible employees of the Company and eligible employee of the Subsidiary Company(ies) aggregately under OSCL ESOP 2015, in one or more tranches.

Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOP Scheme. SEBI Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale or division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional Equity Shares are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the above ceiling Shares shall be deemed to be increased to the extent of such additional equity shares issued.

2. Identification of classes of employees entitled to participate in the Employee Stock Option Scheme(s):

Following classes of employees are entitled to participate in OSCL ESOP 2015:

- (a) Permanent employees of the Company working in India or out of India;
- (b) A director of the Company, whether a Whole-time Directors or not but excluding an independent director; or.
- (c) An employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India.

Following persons are not eligible:

- (a) an Employee who is a Promoter or belongs to the Promoter Group; or
- (b) a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company, and Independent Directors.

3. Terms of the scheme:

- (1) The Company shall not vary the terms of the schemes in any manner, which may be detrimental to the interests of the employees: Provided that the Company shall be entitled to vary the terms of the schemes to meet any regulatory requirements.
- (2) Subject to the proviso to sub-regulation (1), the Company may by special resolution in a general meeting vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employee provided such variation is not prejudicial to the interests of the employees.

- (3) The notice for passing special resolution for variation of terms of the schemes shall disclose full details of the variation, the rationale therefore, and the details of the employees who are beneficiaries of such variation.
- (4) A Company may re-price the options as the case may be which are not exercised, whether or not they have been vested if the schemes were rendered unattractive due to fall in the price of the shares in the stock market:

Provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the employees and approval of the shareholders in general meeting has been obtained for such re-pricing.

4. Transferability of Employee Stock Options:

- (1) The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be vest in his legal heirs or nominees.
- (2) In the event of resignation or termination of the employee, all the options which are granted and yet not vested as on that day shall lapse.
- (3) In the event that an employee who has been granted benefits under a scheme is transferred or deputed to an associate/subsidiary company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee even after the transfer or deputation.

5. Requirements of vesting and period of vesting:

Following table shall be applicable in case of various scenarios (during employment) for vesting and exercising.

In case of	All Unvested Securities/options	All Vested Securities/options
Death*	Immediately vest - have to get exercised within 1 year from such vesting	Have to get exercised within 1 year from such vest*
Permanent incapacitation	Immediately vest - have to get exercised within 1 year from such vesting	Have to get exercised within 1 year from such vest
Retirement	Vesting continues during remaining term specified	24 months to exercise
Voluntary Resignation	Forfeited/Lapse	3 months to exercise
Termination for cause as defined in the Scheme	Forfeited/Lapse	Forfeited/Lapse
Termination without cause as defined in the Scheme	Forfeited/Lapse	3 months to exercise

* Option shall vest in and exercised by legal heirs of the deceased employee.

The Board may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

6. Maximum period within which the Options shall be vested:

Options granted under ESOP Scheme would vest within the period of 10 years from the date of grant of such Options as per the terms and conditions mentioned in the ESOP scheme.

7. Exercise price or pricing formula:

The Exercise Price shall be the price not being less than the face value of an Equity Share as determined by the Board.

8. Exercise period and the process of Exercise:

The vested Options shall be eligible for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 7 years from the date of vesting of such Options.

The vested Option shall be exercisable by the Employees by a written application to the Company/ Board expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the specified exercise period.

9. Appraisal process for determining the eligibility of employees under ESOP Scheme:

The appraisal process for determining the eligibility of the employees will be decided by the Board from time to time. The Board is empowered to constitute a working committee to assist it in the selection and appraisal of Employees for the participation in the ESOP Scheme.

The employees would be granted Options under the OSCL ESOP 2015 based on various parameters such as work performance, period of service, rank or designation and such other parameters as may be decided by the Board from time to time.

10. Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted to any specific employee under the scheme shall not exceed the number of Shares equivalent to 1% of the Issued Share Capital of the Company per grant and in aggregate if the prior specific approval from members of the Company through a special resolution to this effect is not obtained.

11. Certificate from Auditors:

The Board of Directors shall at each Annual General Meeting place before the shareholders a certificate from the Auditors of the Company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the Company in the General Meeting.

12. Disclosure and Accounting Policies:

(1) Any Company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

(2) Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for any of the schemes covered under these regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

13. Method of Option valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' report.

As the ESOP Scheme provides for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is being sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

A copy of the scheme shall be kept for inspection by the members for three days i.e. from 23rd September, 2015 to 25th September, 2015 at the Registered Office during office hours.

14. Rights of the option holder:

The employee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to him, till shares are allotted upon exercise of option.

15. Consequence of failure to exercise option:

All unexercised options shall lapsed off not exercised on or before the exercised period ends. The amount payable by the employee, if any, at the time of grant of option, -

- (a). May be forfeited by the Company if the option is not exercised by the employee within the exercise period; or
- (b). May be refunded to the employee if the options are not vested due to non-fulfilment of conditions relating to vesting of option as per the ESOP Scheme.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution No. 18 & 19, except to the extent of their shareholding entitlements, if any, under the ESOP Scheme.

The Board recommends the resolutions set forth in Item No. 18 & 19 for the approval of the members.

Item No. 20:

The resolutions set out at Item No. 18 and Item No. 19 provides that a Company may grant option to an employee and to a director of the Company and its subsidiary company(ies) not exceeding one per cent of the issued capital of the Company in one year. However, the Company may identify certain employee/s to whom it may be necessary to grant option exceeding one per cent in one year to ensure continuity of their service with the Company. The resolution as set out in Item No. 20 provides that the Company may grant option equal to or exceeding one per cent but not exceeding four per cent in one year to identified employee/s or director/s of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution No. 20, except to the extent of their shareholding entitlements, if any, under the ESOP Scheme.

The Board recommends the resolution set forth in Item No. 20 for the approval of the members.

Date: 09/08/2015

Place: Badlapur

**By Order of the Board of Directors
Omkar Speciality Chemicals Limited**

Registered Office:

B-34, MIDC, Badlapur (E), Thane - 421503, Maharashtra

Tel.: +91 (0251) 2697340, 2690651,

Fax: +91 (0251) 2697347, 2691572

Email: investor@omkarchemicals.com;

Web: www.omkarchemicals.com;

CIN: L24110MH2005PLC151589

**Nirav Momaya
Company Secretary**

DIRECTORS' REPORT

TO THE MEMBERS OMKAR SPECIALITY CHEMICALS LIMITED

Your Directors have pleasure in presenting their Tenth Annual Report and Audited Financial Statements for the Financial Year ended on 31st March, 2015. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL HIGHLIGHTS:

The financial performance of the Company for the Financial Year ended 31st March, 2015 is summarized below:

(Rs. in Lakhs)

Particulars	Standalone Financial Performance		Consolidated Financial Performance	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014	Year ended 31 st March, 2015	Year ended 31 st March, 2014
INCOME				
Revenue from Operation	19,331.31	20,962.11	26,513.37	24,027.98
Other Income	491.02	574.73	89.75	324.78
TOTAL REVENUE	19,822.33	21,536.84	26,603.12	24,352.76
EXPENDITURE				
Cost of Material Consumed	10,364.19	9,354.11	13,804.31	11,213.37
Purchase of Stock in Trade	2,389.33	5,079.46	3,296.30	5,079.46
Changes in Inventories	674.25	283.38	(328.14)	(178.77)
Employee Benefits Expense	1,018.33	988.25	1,434.88	1,392.66
Finance Costs	1,142.80	1,174.63	1,448.35	1,435.73
Depreciation & Amortization Expense	197.36	610.16	1,032.68	1,205.90
Other Expenses	1,991.13	1,967.18	3,089.25	2,227.28
TOTAL EXPENDITURE	17,777.39	19,457.17	23,777.63	22,375.63
Profit before Exceptional Items & Extraordinary Items and Tax	2,044.94	2,079.67	2,825.49	1,977.13
Exceptional Items & Extraordinary Items	-	6.60	-	6.60
PROFIT BEFORE TAX	2,044.94	2,073.07	2,825.49	1,970.53
Tax Expenses	251.48	612.85	397.40	614.47
PROFIT AFTER TAX	1,793.46	1,460.22	2,428.09	1,356.06
Balance in Profit & Loss Account brought forward from previous year	4,753.28	3,737.52	4,583.87	3,672.27
Less: Appropriations				
Proposed Dividend	308.67	294.42	308.67	294.42
Tax on Dividend	52.46	50.04	52.46	50.04
Transfer to General Reserve	150.00	100.00	150.00	100.00
Balance carried to Balance Sheet	6,035.61	4,753.28	6,500.83	4,583.87

PERFORMANCE REVIEW:

During the year under review, the Company has reported a healthy increase in the consolidated net profit by 79.06% to Rs. 2,428.09 lacs, as compared to Rs. 1,356.06 lacs in the previous year. The total consolidated income for current financial year stood at Rs. 26,513.37 lacs as compare to Rs. 24,027.98 lacs in the previous year, recording a rise of 10.35%.

On the standalone basis, the Company's performance in the current financial year, in terms of total income stood at 19,331.31 lacs as compare to Rs. 20,962.11 lacs in the previous year. Despite of slight downfall in the topline, the net profit recorded during the current financial year on standalone basis is Rs. 1,793.46 lacs as compare to Rs. 1,460.22 lacs in the previous year reporting a rise of 23%.

SHARE CAPITAL:

During the Financial Year 2014-15, pursuant to the provisions of the Companies Act, 1956, Companies Act, 2013, based on the approval granted by the shareholders of the Company, The BSE and National Stock Exchange of India Limited (Stock Exchanges) and as per the relevant provisions of the Memorandum and Articles of Association of the Company, the Board of Directors at their meeting held on 30th August, 2014, approved, issued and allotted 9,50,000 equity shares of Rs. 10/- each at a premium of Rs. 140/- per share towards conversion of warrants issued and subscribed by the Promoters and Promoter Group of the Company. Consequently, the paid up capital of the Company was increased from 1,96,28,004 equity shares of Rs. 10/- each amounting to Rs. 19,62,80,040/- to 2,05,78,004 equity shares of Rs. 10/- each amounting to Rs. 20,57,80,040/-.

The Authorised Capital of the Company was increased from 2,50,00,000 equity shares of Rs. 10/- each amounting to Rs. 25 cr. to 3,50,00,000 equity shares of Rs. 10/- each amounting to Rs. 35 cr. pursuant to the approval of members granted by Postal Ballot vide results of the Postal Ballot declared on 24th December, 2014.

DIVIDEND:

Based on the Company's performance, the Directors are pleased to recommend for the approval of members a dividend of Rs. 1.50 per share (previous year Rs. 1.50 per share) on the capital of 2,05,78,004 Equity Shares of Rs. 10/- each. The dividend on equity shares as recommended above, if approved by the members would involve cash outflow of Rs. 361.13 lacs including dividend distribution tax of Rs. 52.46 lacs [Previous years Rs. 344.46 lacs including dividend distribution tax of Rs. 50.04 lacs].

TRANSFER TO RESERVES:

Your Company proposes to transfer Rs. 150 Lakhs to General Reserve out of the amount available for appropriations and an amount of Rs. 6,035.61 Lakhs is proposed to be retained in the Profit and Loss A/c.

UNPAID DIVIDEND:

As per the information obtained from Axis Bank Ltd and HDFC Bank Ltd., it has been noted that the following amounts are lying in Unpaid Dividend Account of Omkar Speciality Chemicals Limited:

Financial Year	Amount (in Rupees)
2010-2011	17,948.00
2011-2012	14,206.25
2012-2013	29,673.00
2013-2014	14,533.50

Those Members, who have not yet encashed their Dividend Warrants for the financial year ended 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 may approach the M/s Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company / the Company for completion of necessary formalities to claim the dividend.

DEPOSIT FROM PUBLIC:

Your Company did not invite or accept deposits from the public during the year under review.

FINANCIAL STATEMENTS:

The Financial Statements have been prepared as per the Schedule III of the Companies Act, 2013 as notified by the Ministry of Corporate Affairs. Accordingly, the previous year's figures have also been regrouped/ restated wherever necessary to conform to the classification of the current year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 8, sub-rule (3) of Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo is provided in Annexure A and forms an integral part of the Directors' Report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 as per Section 92 of Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, is included in this report as Annexure B and forms an integral part of the Directors' Report.

SUBSIDIARY COMPANIES:

A detailed discussion on the subsidiaries namely, Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited, have been dealt in the Management Discussion and Analysis (MD & A) section of Annual Report.

The Consolidated Audited Annual Financial Statements are prepared as per Section 129(3) read with Schedule III of the Companies Act, 2013, Accounting Standards (AS-21) issued by the Institute of Chartered Accountants of India as notified by the Ministry of Corporate Affairs and Clause 32 of the Listing Agreement.

As per Section 129(3) of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC 1, is provided in Annexure C and forms an integral part of the Directors' Report.

Based on the Consolidated Audited Annual Financial Results of the Company for the Financial Year ended on 31st March, 2015, M/s Lasa Laboratory Private Limited, wholly owned subsidiary of the Company has become the material non-listed Indian subsidiary company.

The Company has formulated the Policy for dealing with the Material Non-Listed Subsidiary Company and uploaded the same on the website of the Company (Weblink: <http://www.omkarchemicals.com/Policies/RPT%20&%20Subsidiary%20Policy.pdf>)

The Board of Directors in their meeting held on 2nd February, 2015, granted in-principle approval for the formation of an overseas wholly owned subsidiary company, with warehouse facility, for catering to the overseas market and embark upon the growing exports.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the current year, the Directors have constituted the CSR Committee and adopted the Corporate Social Responsibility Policy. The policy is displayed on Company's Web site (Weblink: http://www.omkarchemicals.com/Policies/CSR-Policy_OSCL.pdf). The details on CSR have been briefly discussed in Annexure D and forms an integral part of the Directors' Report.

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming a part of the Director's Report for the year ended 31st March, 2015 is given in a separate Annexure E to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

As required by Clause 49 of the Listing Agreement with Stock Exchange(s), a Management Discussion & Analysis Report forms part of the Annual Report.

HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS:

A detailed discussion on Human Resource Management and Industrial Relations has been dealt in Management Discussion and Analysis (MD & A) report.

REPORT ON CORPORATE GOVERNANCE:

A detailed Report on Corporate Governance pursuant to the requirements of Clause 49 of the Listing Agreement with the Stock Exchange(s) forms part of the Annual Report. A Certificate from the Auditors of the Company, M/s J.P.J Associates, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, also forms part of the Annual Report.

REGULATORY APPROVALS:

The relevant regulations and policies as prescribed by the Government of India and other regulatory bodies have been duly complied with by your Company.

Our manufacturing facilities are monitored and approved by various regulatory authorities. Periodically, the FDA, MPCB, Department of Explosives etc. conducts routine audits of all approved facilities.

DIRECTORS (APPOINTMENT & RESIGNATION MADE DURING THE YEAR):

Pursuant to the provisions of Section 149 of the Companies Act, 2013 which came into effect from 1st April, 2014, Mr. Amit A. Pandit (DIN 02437092), Prof. (Dr.) Suhas M. Rane (DIN 03126514), Dr. Vikas N. Telvekar (DIN 03123785) and Mr. Subhash P. Mali (DIN 00034769) were appointed as Independent Directors at the Annual General Meeting of the Company held on 9th August, 2014.

A) RE-APPOINTMENT

- (1) In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mrs. Anjali P. Herlekar (DIN 00527420), Non-Executive, Promoter and Woman Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends re-appointment of Mrs. Anjali P. Herlekar (DIN 00527420) as Non-Executive, Promoter and Woman Director of the Company in the ensuing Annual General Meeting of the Company.
- (2) The Board of Directors at their meeting held on 2nd February, 2015 has re-appointed (Subject to the approval of Members in the general meeting), Mr. Pravin S. Herlekar (DIN 00525610) as a Chairman and Managing Director of the Company for a further period of five years commencing from 1st April, 2015 till 31st March, 2020 pursuant to the provisions of Section 196, 197 and such other provisions read with Schedule V of the Companies Act, 2013. The terms of his appointment are given in the explanatory statement to the Notice of Annual General Meeting. The Board recommends re-appointment of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman and Managing Director of the Company, in the ensuing Annual General Meeting of the Company.
- (3) The Board of Directors at their meeting held on 2nd February, 2015 has re-appointed (Subject to the approval of Members in the general meeting), Mr. Omkar P. Herlekar (DIN 01587154) as a Whole Time Director of the Company for a further period of five years commencing from 1st April, 2015 till 31st March, 2020 pursuant to the provisions of Section 196, 197 and such other provisions read with Schedule V of the Companies Act, 2013. The terms of his appointment are given in the explanatory statement to the Notice of Annual General Meeting. The Board recommends re-appointment of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director of the Company, in the ensuing Annual General Meeting of the Company.

B) RESIGNATIONS

During the year under review, the following Directors have resigned from the Board of M/s Omkar Speciality Chemicals Limited due to pre-occupation in their professional commitments:

- (1) Mr. Amit A. Pandit (DIN 02437092) has resigned as Non-Executive and Independent Director and Chairman of the Audit Committee of the Company w.e.f 26th March, 2015. The Board places on record its gratitude for the services rendered by Mr. Amit A. Pandit (DIN 02437092) during his long association with the Company.
- (2) Mr. Siddharth S. Sinkar (DIN 05154432) has resigned as Non-Executive and Non-Independent Director of the Company w.e.f. 26th March, 2015. The Board places on record its gratitude for the services rendered by Mr. Siddharth S. Sinkar (DIN 05154432) during his long association with the Company.

C) APPOINTMENTS

The Company has appointed the following new Directors on the Board of M/s Omkar Speciality Chemicals Limited:

- (1) Mr. Laxmikant R. Kabra (DIN 0061346) was appointed as an Additional Director in the capacity of Non-Executive and Non-Independent Director of the Company w.e.f. 26th March, 2015, pursuant to Section 161(1) of Companies Act, 2013. The detailed profile of Mr. Laxmikant R. Kabra (DIN 0061346) is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Laxmikant R. Kabra (DIN 0061346) as Non-Executive and Non-Independent Director of the Company, in the ensuing Annual General Meeting of the Company. He will be liable to retire by rotation.
- (2) Mr. Sitendu K. Sharma (DIN 01956423) was appointed as an Additional Director in the capacity of Independent Director of the Company w.e.f. 8th May, 2015, pursuant to Section 149, 161(1) and other applicable provisions of Companies Act, 2013. The detailed profile of Mr. Sitendu K. Sharma (DIN 01956423) is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director of the Company for the period of five years commencing from 8th May, 2015 till 7th May, 2020, in the ensuing Annual General Meeting of the Company.
- (3) Mr. Vikas G. Gadre (DIN 06746818) was appointed as an Additional Director in the capacity of Independent Director of the Company w.e.f. 17th July, 2015, pursuant to Section 149, 161(1) and other applicable provisions of Companies Act, 2013. The detailed profile of Mr. Vikas G. Gadre (DIN 06746818) is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director of the Company for the period of five years commencing from 17th July, 2015 till 16th July, 2020, in the ensuing Annual General Meeting of the Company.
- (4) Mr. Subhash N. Ghalke (DIN 07239171) was appointed as an Additional Director in the capacity of Independent Director of the Company w.e.f. 17th July, 2015, pursuant to Section 149, 161(1) and other applicable provisions of Companies Act, 2013. The detailed profile of Mr. Subhash N. Ghalke (DIN 07239171) is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director of the Company for the period of five years commencing from 17th July, 2015 till 16th July, 2020, in the ensuing Annual General Meeting of the Company.
- (5) Mrs. Sanjivani S. Patare (DIN 07239170) was appointed as an Additional Director in the capacity of Independent Director and Woman Director of the Company w.e.f. 17th July, 2015, pursuant to Section 149, 161(1) and other applicable provisions of Companies Act, 2013. The detailed profile of Mrs. Sanjivani S. Patare (DIN 07239170) is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director and Woman Director of the Company for the period of five years commencing from 17th July, 2015 till 16th July, 2020, in the ensuing Annual General Meeting of the Company.
- (6) Mr. Rishikesh P. Herlekar (DIN 05240009) was appointed as an Additional Director in the capacity of Executive Director of the Company w.e.f. 17th July, 2015, pursuant to Section 161(1), 196, 197 and such other provisions read with Schedule V of the Companies Act, 2013. The terms of his appointment and the detailed profile of Mr. Rishikesh P. Herlekar (DIN 05240009) are given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Rishikesh

P. Herlekar (DIN 05240009) as an Executive Director of the Company for the period of five years commencing from 17th July, 2015 till 16th July, 2020, in the ensuing Annual General Meeting of the Company. He will be liable to retire by rotation.

- (7) Mr. Prakash H. Rao (DIN 07239167) was appointed as an Additional Director in the capacity of Executive Director of the Company w.e.f. 17th July, 2015, pursuant to Section 161(1), 196, 197 and such other provisions read with Schedule V of the Companies Act, 2013. The terms of his appointment and the detailed profile of Mr. Prakash H. Rao (DIN 07239167) are given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director of the Company for the period of five years commencing from 17th July, 2015 till 16th July, 2020, in the ensuing Annual General Meeting of the Company. He will be liable to retire by rotation.

The information as prescribed under Clause 49 of the Listing Agreement entered with the Stock Exchange(s) such as brief description of the Directors proposed to be appointed/re-appointed, the nature of their expertise in specific functional areas and the names of the Companies in which they hold directorships and memberships/chairmanships of board committees are provided as a part of the Notice of the forthcoming Annual General Meeting.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company under Section 149 (7) of Companies Act, 2013 confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

MECHANISM FOR EVALUATING BOARD MEMBERS:

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has been empowered for laying down the evaluation criteria for performance evaluation of the Independent Directors and the Board. The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth. The Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities with the Company.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Chairman and Managing Director had one to one discussions with newly appointed Directors to familiarize them with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory and regulatory changes are circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

MEETINGS OF INDEPENDENT DIRECTORS:

The Company's Independent Directors shall meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to (i) review the performance of Non Independent Directors and the Board as a whole, (ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and (iii) to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

One meeting of the Independent Directors was held during the Financial Year on 6th February, 2015.

BOARD MEETINGS HELD DURING THE YEAR:

Seven Board Meetings were held during the Financial Year 2014-15 and the gap between any two consecutive meetings did not exceed one hundred and twenty days at any point of time.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to the Director's Responsibilities Statement, the Directors state and hereby confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have elected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

KEY MANAGERIAL PERSONNEL:

During the year under review, the Company has appointed/re-appointed the following persons as Key Managerial Personnel:

- ❖ Re-appointed Mr. Pravin S. Herlekar (DIN 00525610) as the Chairman and Managing Director of the Company for a further period of five years with effect from 1st April, 2015 on the terms and conditions and Remuneration as set out in the agreement between the Company and Chairman and Managing Director of the Company. Mr. Pravin S. Herlekar (DIN 00525610) is also designated as Key Managerial Personnel pursuant to provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. This appointment is subject to the approval of shareholders at the forthcoming Annual General Meeting.
- ❖ Re-appointed Mr. Omkar P. Herlekar (DIN 01587154) as the Whole-time Director of the Company for a period of five years with effect from 1st April, 2015 on the terms and conditions and Remuneration as set out in the agreement between the Company and Whole time Director of the Company. Mr. Omkar P. Herlekar (DIN 01587154) is also designated as Key Managerial Personnel pursuant to provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. This appointment is subject to the approval of shareholders at the forthcoming Annual General Meeting.
- ❖ Appointed Mr. Hiral Patel as the Chief Financial Officer of the Company for a period of one year with effect from 18th March, 2015 expiring on 17th March, 2016 on such terms and conditions decided by the Board of Directors of the Company. Mr. Hiral Patel is also designated as Key Managerial Personnel pursuant to provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

NOMINATION & REMUNERATION POLICY OF THE COMPANY:

During the current year, the Directors have reconstituted the Nomination & Remuneration Committee and adopted the Nomination & Remuneration Policy. The policy is displayed on Company's Web site (Weblink: <http://www.omkarchemicals.com/Policies/Nomination-Remuneration-Policy.pdf>).

The said policy has been briefly discussed in Annexure F and forms an integral part of the Directors' Report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS U/S 186:

Loan given during the financial year 2014-15

(Rs. In Lacs)

Particulars	Opening Balance	Additions	Repaid	Closing Balance
Lasa Laboratory Private Limited	250.68	745.61	0.00	996.29
Urdhwa Chemicals Company Private Limited	3,720.05	1,088.89	488.00	4,320.94

Note: Loans were given to wholly owned subsidiaries for business purpose to meet working capital and capital expenditure requirements.

Corporate Guarantee provided during the financial year 2014-15

Name of the Company for whom guarantee is given	Name of the Party in whose favour guarantee given	Purpose of guarantee	Amount for which guarantee is given
Lasa Laboratory Private Limited	Axis Bank Limited	For securing the repayment of the credit facilities renewed and enhanced during the year	Rs. 44.89 cr.

Securities granted during the financial year 2014-15

No security has been provided by the Company in respect of loan taken by any company or third party during the financial year 2014-15

Investments made during the financial year 2014-15

(Rs. In Lacs)

Sr. No.	Particulars	Opening Balance	Acquisition	Sale / Redemption	Closing Balance
1	Acquired 1200000 equity shares of Lasa Laboratory Private Limited at rate of Rs. 25/- per share (Face value Rs. 10/- per share)	250.12	300.00	NIL	550.12

INTERNAL FINANCIAL CONTROLS:

The Company has laid down the internal financial control system for safeguarding the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Audit Committee reviews the Internal Audit function. The Audit Committee also reviews the internal audit reports as well as the findings of any internal investigation by internal auditors and suggests the methods to strengthen the internal control system. After reviewing the same, the Audit Committee reports the matters to the Board and the corrective actions to be taken thereon.

RISK MANAGEMENT POLICY:

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. These procedures have been periodically reviewed to ensure that the executive management controls the risk through properly defined

framework. Pursuant to Clause 49 of the Listing Agreement, the Board in its meeting held on 18th May, 2015, constituted a Risk Management Committee of the Directors.

WHISTLE BLOWER POLICY:

Pursuant to the Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and Employees to report the management about the unethical behavior, fraud, improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The mechanism provides adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Board has received Disclosures from the Directors relating to material, financial and commercial transactions where they and / or their relatives have personal interest. None of the transactions with any of the related parties were in conflict with the Company's interest. Company's major related party transactions are generally with its subsidiaries. All the transactions entered into with the related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2014-15. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as at 31st March, 2015.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place. All women employees (permanent, temporary, contractual and trainees) are covered under this policy. The Company has not received any complaints during the year.

GRANT OF PATENTS TO THE COMPANY:

1. The Company's claim for process patent for an advance intermediate namely "5-IODO-2-METHYLBENZOIC ACID, having special applications in pharmaceutical industry has been accepted by the Patents Office, Govt of India, vide their Certificate No. 022/11015 Patent Registration No. 262739 dated 10th September, 2014.
2. The Company's claim for process patent for an advance intermediate namely "BENZENESELENINIC ANHYDRIDE, having special applications in pharmaceutical industry has been accepted by the Patents Office, Govt of India, vide their Certificate No. 022/11999, Patent Registration No. 263298 dated 17th October, 2014.

REGISTRATION OF THE TRADEMARK OF THE COMPANY:

The Trade Marks Registry, Government of India has granted its approval by registering the Company's logo containing the tagline "OMKAR - ALWAYS THE LEADERS" with effect from 21st June, 2010 (date of application), vide its certificate No. 1205744 dated 15th April, 2015 having validity upto 20th June, 2020.

COMMENCEMENT OF THE NEW MANUFACTURING FACILITY AT CHIPLUN:

During the financial year 2014-15, the Company has commissioned manufacturing at its new plant i.e. Unit No. VI located at Plot No. B-15 & B-16, Lote Parshuram MIDC, Chiplun, Dist: Ratnagiri, State: Maharashtra.

The plant with a volumetric capacity of 300 Metric Tonnes Per Annum (MTPA) manufactures a number of advance intermediates for pharma industry catering to essential life-saving drugs and veterinary APIs with the state of the art facility for production and quality control.

During the financial year 2014-15, Lasa Laboratory Pvt. Ltd., wholly owned subsidiary has completed phase I expansion of its manufacturing unit. The volumetric capacity of the said unit was increased from 120 MTPA to 450 MTPA.

AUDITORS AND AUDITOR'S REPORT:**STATUTORY AUDITORS**

The comments of the Auditors in their report and the notes forming part of the Accounts are self-explanatory and need no comments.

In accordance with the provisions of Section 139(1) of Companies Act, 2013 and Rule 3, sub rule (7) of Companies (Audit and Auditors) Rules 2014, the shareholders at the last Annual General Meeting held on 9th August, 2014 had approved the appointment of M/s. J.P.J. Associates, Chartered Accountants, Mumbai (Firm Registration No. 113012W) as Statutory Auditors of the Company effective till the conclusion of the twelfth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM. M/s. J.P.J. Associates, Chartered Accountants, Mumbai have expressed their willingness to continue as Statutory Auditors of the Company, subject to their ratification by the shareholders at the forthcoming Annual General Meeting. The Company has obtained written consent and certificate from the Auditors, that their appointment, on ratification of the shareholders would be in conformity with the conditions specified in Rule 4 of Companies (Audit and Auditors) Rules 2014.

COST AUDITORS

Pursuant to Section 148 (1) and (2) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost records audited and should appoint a Cost Auditor pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rules, 2014.

The Board of Directors, on the recommendation of Audit Committee has appointed M/s N. Ritesh & Associates as the Cost Auditors of the Company to audit the Cost Accounts of the Company for the Financial Year 2015-16, on a remuneration of Rs.75,000/- p.a. plus service tax as applicable and reimbursement of out of pocket expenses. Pursuant to Section 148 of Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General meeting.

M/s N. Ritesh & Associates have confirmed their willingness and eligibility for appointment under Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s Nilesh A. Pradhan & Co., Practicing Company Secretary (C.P. No. 3659) to undertake the Secretarial Audit of the Company for the F.Y. 2015-2016.

The Secretarial Audit Report for the financial year ended 31st March 2015 is included as Annexure G and forms an integral part of this report.

With regard to the comment contained in the Secretarial Audit Report for the Financial Year 2014-15, pertaining to the requirement of appointment of Company Secretary in the wholly owned subsidiary company namely, Lasa Laboratory Private Limited, we wish to submit that, we are in the process of identifying an appropriate candidate for appointing as Company Secretary of M/s Lasa Laboratory Private Limited.

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation to Company's esteemed clients, vendors, investors, business associates and bankers for their continuous support to the Company.

The Directors also thank the Central & State Governments, Governments of various countries, Customs & Excise Departments, Ministry of Commerce, Ministry of Finance, Ministry of External Affairs, Ministry of Corporate Affairs, Maharashtra Industrial Development Corporation and other Government Agencies for their positive support and assistance during the year.

Your Directors also place on record their appreciation for the excellent contribution made by all the employees of OSCL Group through their commitment, competence, co-operation and diligence to duty in achieving consistent growth of the Company.

**For and On behalf of the Board of Directors
Omkar Speciality Chemicals Limited**

Date: 09/08/2015
Place: Badlapur

Pravin S. Herlekar
Chairman & Managing Director
(DIN 00525610)

Omkar P. Herlekar
Whole Time Director
(DIN 01587154)

ANNEXURE A TO DIRECTORS REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

[Information as required under Section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Power and Fuel Consumption	Current Year	Previous Year
	2014-15	2013-14
1. Electricity		
a) Purchased		
Unit (kwh)	10,65,845	10,26,273
Total Amount (Rs)	1,07,44,249	95,14,396
Rate / Unit (per kwh)	10.08	9.27
b) Own Generation		
(i) Through diesel generator		
Quantity (ltrs)	25,330	20,734
Units Generated	20,249	16,575
Total Amount (Rs)	15,53,244	12,40,285
Units per ltr. of diesel oil	1.25	1.25
Cost / Unit	61.32	59.82
(ii) Through steam turbine/generator		
Units	-	-
Total Amount (Rs)	-	-
Units per ltr. of fuel oil/gas	-	-
Cost/unit	-	-
2. Coal		
Quantity (tonnes)	1,354	-
Total cost	57,14,145	-
Average rate	4.25	-
3. Light Diesel Oil		
Quantity (ltrs.)	32,120	1,31,333
Total Amount (Rs)	16,29,138	70,35,972
Average Rate	50.72	53.57
4. Furnace Oil		
Quantity (ltrs.)	1,90,930	1,63,523
Total Amount (Rs)	74,67,535	76,39,140
Average Rate	39.11	46.72
5. Others/internal generation (please give details)		
Quantity	-	-
Total cost	-	-
Rate/unit	-	-

STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

- Use of CFL and LED lamps has helped in cutting down on our energy consumption.
- Water harvesting system has been installed at all facilities viz. Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Unit No. V and Unit No. VI of Omkar Speciality Chemicals Limited.
- Replacement of inefficient motors with energy efficient motors.
- Improved natural illumination to reduce power consumption.
- Maintaining the power factor at 0.99 to avail rebate on electricity bill.
- Arrest leakage in terms of steam, water and compressed air.
- External chemicals cleaning of chilled and hot water coils for better heat transfer and to avoid losses.
- The PVC fills of cooling towers have been cleaned and replaced as and when required to improve efficiency.
- Replacement of old non-energy efficient AHUs with double skin insulated AHUs with VFD driven motors and plug fans.

THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

The Company has started utilizing Coal and Furnace Oil as an alternate source of energy to Light Diesel Oil for undercutting the cost of manufacturing.

THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:

Rs. 54.39 lacs have been expended towards installation of energy conservation equipments.

TECHNOLOGY ABSORPTION:**EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:**

Research & Development (R&D) plays a crucial role in the speciality chemicals industry. Speciality chemicals are a niche area of chemistry and the applications of the products are customized in most of the cases. We have established an in-house R&D Center which is located at Unit III. This R&D Center is equipped with state-of-the-art facilities for development of new products. Approximately 25 scientists are working in all 3 shifts in this center. New molecules are developed on gram level and the processes are established. These processes are then further scaled up in our Company's wholly owned subsidiary, Rishichem Research Limited, which is equipped with pilot plant facilities. The processes developed in R&D Center on gram level are scaled up to a level of 50-100 kgs. in the pilot plant facilities before the products are launched on commercial scale.

We are focused on innovation, not only from the point of view of our sustained focus on R&D but also our focus on addressing a significant part of the value chain; from being present through forward integrations in APIs (through the acquisition of Lasa Laboratory Private Limited and the subsequent capacity expansions) on the back of in-house intermediates to setting up manufacturing units which are fungible so as to meet the fast changing needs of customers with minimum lead time.

The manufacturing units are fungible and can produce multiple products using a combination of processes. The fungibility of manufacturing units enables us to make optimum utilization of capacity across the units.

We wish to inform that the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology has accorded renewal of recognition to the In-house R&D centre of the Company located at Plot No. 34, MIDC, Badlapur (E), Thane upto 31st March, 2017.

THE BENEFITS DERIVED:

- Increase in sales of newly developed molecules
- Tapping up new markets and increasing the customer base

- Development of Intellectual Properties
- Cost Reduction
- Quality Enhancement
- Recoveries from waste streams and by-product recoveries
- Trouble Shooting

EXPENDITURE ON R&D:

(Rs in Lakhs)

Particulars	2014-15	2013-14
Capital Expenditure	308.76	37.92
Recurring Expenditure	45.97	297.29
Total	354.73	335.21

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs in Lakhs)

Particulars	2014-15	2013-14
Foreign Exchange Earned	5,362.95	5,487.33
Foreign Exchange Used	8,740.57	9,949.85

ANNEXURE B TO DIRECTORS REPORT

FORM NO. MGT-9 – EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	Corporate Identity No. (CIN)	L24110MH2005PLC151589
(ii)	Registration Date	24 th February, 2005
(iii)	Name of the Company	Omkar Speciality Chemicals Limited
(iv)	Category / Sub-Category of the Company	Category – Company Limited by shares Sub-Category – Public Company (Indian Non-Government Company)
(v)	Address of the Registered office and contact details	B-34, MIDC, Badlapur (E), Thane 421503, Maharashtra Tel: +91-251-2690651 / 2697340 Fax: +91-251-2697347 / 2691572
(vi)	Whether listed company (Yes / No)	Yes. Listed on BSE Ltd. and National Stock Exchange of India Ltd.
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited E/2, Ansa Industrial Estate, Saki vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072, Tel No.:+ 91-22-40430200 Fax No.: +91-22-28475207 e-mail: ipo@bigshareonline.com SEBI Registration No.: INR 000001385

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacture of organic & Inorganic chemicals compounds n.e.c.	20119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
1.	Rishichem Research Ltd W-83(C), MIDC, Badlapur (East) – 421503, Maharashtra	U24110MH1995PLC088969	Subsidiary	100%	2(87)
2.	Desh Chemicals Pvt. Ltd. B-34, MIDC, Badlapur (East)- 421503, Maharashtra	U24111MH1983PTC031424	Subsidiary	100%	2(87)
3.	Urdhwa Chemicals Company Pvt. Ltd. B-34, MIDC, Badlapur (East)- 421503, Maharashtra	U24100MH1986PTC040668	Subsidiary	100%	2(87)
4.	Lasa Laboratory Pvt. Ltd. F-9, MIDC, Badlapur (East)- 421503, Maharashtra	U24297MH1998PTC114317	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals /HUF	12632974	0	12632974	64.36	12597644	0	12597644	61.22	(3.14)
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	380000	0	380000	1.85	1.85
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total A(1)	12632974	0	12632974	64.36	12977644	0	12977644	63.07	(1.29)
(2) Foreign									
a) NRI / Foreign Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
c) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
d) Qualifies Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoters (A) = A(1) + A(2)	12632974	0	12632974	64.36	12977644	0	12977644	63.07	(1.29)
(B) Public Shareholding									
1. Institutions									
a) Mutual Funds/ UTI	888187	0	888187	4.52	2363755	0	2363755	11.49	6.97
b) Financial Institutions/Banks	700000	0	700000	3.57	284920	0	284920	1.38	(2.19)
c) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f) FII	323569	0	323569	1.65	331357	0	331357	1.61	(0.04)
g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00

Category of Share holders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total B(1)	1911756	0	1911756	9.74	2980032	0	2980032	14.48	4.74
2. Non-Institutions									
a) Bodies Corporate	2224587	0	2224587	11.33	2194979	0	2194979	10.67	(0.66)
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	1078544	15	1078559	5.50	1027890	15	1027905	5.00	(0.50)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	1569739	0	1569739	8.00	910604	0	910604	4.43	(3.57)
c) Any Other									
i) Clearing Member	180121	0	180121	0.92	431185	0	431185	2.10	1.18
ii)NRI	30268	0	30268	0.15	55655	0	55655	0.27	0.12
Sub Total B(2)	5083259	15	5083274	25.90	4620313	15	4620328	22.45	(3.45)
Total Public Shareholding (B) = B(1) + B(2)	6995015	15	6995030	35.64	7600345	15	7600360	36.93	1.29
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A + B + C)	19627989	15	19628004	100.00	20577989	15	20578004	100.00	

Note: The Company has allotted 950000 equity shares of Rs. 10/- each on 30th August, 2014, to the Promoters and Promoter Group pursuant to conversion of warrants convertible into shares.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ Encumbered To total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ Encumbered To total shares	
1.	Pravin Shivdas Herlekar	5200000	26.49	12.86	4477700	21.76	20.24	(4.73)
2.	Pravin Shivdas Herlekar	3844480	19.59	4.43	3844480	18.68	15.74	*(0.91)
3.	Pravin Shivdas Herlekar	600000	3.05	0.00	685000	3.33	0.00	(0.28)
4.	Pravin Shivdas Herlekar	272080	1.39	0.00	286080	1.39	0.00	0.00
5.	Pravin Shivdas Herlekar	214911	1.09	0.00	422711	2.05	0.00	0.96
	TOTAL	10131471	51.62	17.30	9715951	47.22	35.98	(4.40)
6.	Anjali Pravin Herlekar	1208240	6.16	0.00	1208240	5.87	0.00	*(0.29)
7.	Herlekar Omkar Pravin	577599	2.94	0.00	577599	2.81	0.00	*(0.13)
8.	Omkar Pravin Herlekar	101714	0.52	0.00	291884	1.42	0.00	0.90
9.	Omkar Pravin Herlekar	15000	0.08	0.00	15000	0.07	0.00	*(0.01)
	TOTAL	694313	3.54	0.00	884483	4.30	0.00	0.76
10.	Rishikesh Pravin Herlekar	576410	2.94	0.00	576410	2.80	0.00	*(0.14)
11.	Rishikesh Pravin Herlekar	100	0.00	0.00	190100	0.92	0.00	0.92
	TOTAL	576510	2.94	0.00	766510	3.72	0.00	0.78
12.	Shivdas Ramrao Herlekar	22440	0.11	0.00	22440	0.11	0.00	*0.00
13.	Svaks Biotech India Pvt. Ltd.	0	0.00	0.00	380000	1.85	0.00	1.85

Note:

* % change in the shareholding is caused due to increase in the paid up capital of the Company.

- (1) Mr. Pravin S. Herlekar, has acquired 180005 shares in the month of March 2014, which are not reflected in his name in the beneficial position received from the depositaries as on 31st March, 2014. After considering the same, his total shareholding is 10311476 shares consisting of 52.53%.
- (2) (a) Mr. Pravin S. Herlekar has acquired 195603 shares out of which 110603 shares are not reflected in his name in the beneficial position received from the depositaries as on 31st March, 2015.
- (b) Mr. Pravin S. Herlekar has created encumbrance on 722300 shares, which are not reflected in the beneficial position received from the depositaries as on 31st March, 2015.
- (c) After considering the aforesaid transactions, the total no. of shares held by Mr. Pravin S. Herlekar are 10548874 consisting of 51.26%.

(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Pravin Shivdas Herlekar				
	At the beginning of the year	*10131471	51.61	10131471	51.61
	22-04-2014 (Market Purchase)	(+) 14000	0.07	10145471	51.69
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	10335471	50.23
	21-11-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 322500	1.57	10012971	48.66
	03-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 322500	1.57	9690471	47.09
	12-12-2014 (release of shares from encumbrance)	(+) 85000	0.41	9775471	47.50
	17-12-2014 (Market Purchase)	(+) 3500	0.02	9778971	47.52
	18-12-2014 (Market Purchase)	(+) 9300	0.05	9788271	47.57
	19-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 56300	0.27	9731971	47.29
	23-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 21000	0.10	9710971	47.19
	01-01-2015 (Market Purchase)	(+) 4000	0.02	9714971	47.21
	06-01-2015 (Market Purchase)	(+) 1000	0.00	9715971	47.22
	At the end of the year	**9715971	47.22	9715971	47.22
	* Mr. Pravin S. Herlekar, has acquired 180005 shares in the month of March 2014, which are not reflected in his name in the beneficial position received from the depositories as on 31 st March, 2014. After considering the same, his total shareholding is 10311476 shares consisting of 52.53%.				
	** (a) Mr. Pravin S. Herlekar has acquired 195603 shares out of which 110603 shares are not reflected in his name in the beneficial position received from the depositories as on 31 st March, 2015. (b) Mr. Pravin S. Herlekar has created encumbrance on 722300 shares, which are not reflected in the beneficial position received from the depositories as on 31 st March, 2015. (c) After considering the aforesaid transactions, the total no. of shares held by Mr. Pravin S. Herlekar are 10548874 consisting of 51.26%.				
2.	Omkar Pravin Herlekar				
	At the beginning of the year	694313	3.54	694313	3.54
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	884313	4.30
	23-10-2014 (Market Purchase)	(+) 170	0.00	884483	4.30
	At the end of the year	884483	4.30	884483	4.30

3.	Anjali Pravin Herlekar				
	At the beginning of the year	1208240	6.16	1208240	6.16
	30-08-2014 (Change in % of shareholding pursuant to increase in Paid up capital)	NIL	NIL	1208240	5.87
	At the end of the year	1208240	5.87	1208240	5.87
4.	Rishikesh Pravin Herlekar				
	At the beginning of the year	576510	2.94	576510	2.94
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	766510	3.72
	At the end of the year	766510	3.72	766510	3.72
5.	Shivdas Ramrao Herlekar				
	At the beginning of the year	22440	0.11	22440	0.11
	30-08-2014 (Change in % of shareholding pursuant to increase in Paid up capital)	NIL	NIL	22440	0.11
	At the end of the year	22440	0.11	22440	0.11
6.	Svaks Biotech India Pvt. Ltd.				
	At the beginning of the year	-	-	-	-
	30-08-2014 (Preferential Allotment of 380000 equity shares pursuant to conversion of warrants)	(+) 380000	1.85	380000	1.85
	At the end of the year	380000	1.85	380000	1.85

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs)

Sl. No.	Top 10 Shareholders @	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	IDFC Premier Equity Fund #	888187	4.53	NIL	NIL
2.	Axis Bank Ltd.	700000	3.57	284000	1.38
3.	Celestial Tradechem Pvt. Ltd. #	517000	2.63	NIL	NIL
4.	Premier Investments Fund Limited	323569	1.65	305657	1.49
5.	Dowell Fiscal Services Private Limited #	175000	0.89	NIL	NIL
6.	APN Holdings Private Limited #	156000	0.79	NIL	NIL
7.	Saroj Jugal Maheshwari #	133140	0.65	NIL	NIL
8.	Shailendra Shrimal #	128500	0.65	NIL	NIL
9.	Vivid Finance & Holdings Private Limited #	108554	0.55	NIL	NIL
10.	Master Capital Services Limited #	108281	0.55	7225	0.04
11.	SBI Magmun Midcap Fund *	NIL	NIL	1463755	7.11
12.	Moneywise Financial Services Private Limited *	NIL	NIL	751349	3.65

13.	Birla Sun Life Trustee Company Private Limited, A/c Birla Sun Life Pure Value Fund *	NIL	NIL	590000	2.88
14	4A Securities Limited *	NIL	NIL	392000	1.90
15	Globe Fincap Limited *	62986	0.32	269500	1.31
16	Avtar Instalments Private Limited *	NIL	NIL	194000	0.94
17	Birla Sun Life Trustee Company Private Limited, A/c Birla Sun Life Long Term Advantage Fund *	NIL	NIL	175000	0.85
18	Edelweiss Securities Limited *	NIL	NIL	152487	0.74

NOTE:

* Not in the list of Top 10 shareholders as on 1st April, 2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31st March, 2015.

Ceased to be in the list of Top 10 shareholders as on 31st March, 2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 1st April, 2014.

@ The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Pravin S. Herlekar				
	At the beginning of the year	*10131471	51.61	10131471	51.61
	22-04-2014 (Market Purchase)	(+) 14000	0.07	10145471	51.69
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	10335471	50.23
	21-11-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 322500	1.57	10012971	48.66
	03-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 322500	1.57	9690471	47.09
	12-12-2014 (release of shares from encumbrance)	(+) 85000	0.41	9775471	47.50
	17-12-2014 (Market Purchase)	(+) 3500	0.02	9778971	47.52
	18-12-2014 (Market Purchase)	(+) 9300	0.05	9788271	47.57
	19-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 56300	0.27	9731971	47.29
	23-12-2014 (transfer from one Demat Account to Another Demat Account and created encumbrance)	(-) 21000	0.10	9710971	47.19
	01-01-2015 (Market Purchase)	(+) 4000	0.02	9714971	47.21
	06-01-2015 (Market Purchase)	(+) 1000	0.00	9715971	47.22
	At the end of the year	**9715971	47.22	9715971	47.22

	<p>* Mr. Pravin S. Herlekar, has acquired 180005 shares in the month of March 2014, which are not reflected in his name in the beneficial position received from the depositaries as on 31st March, 2014. After considering the same, his total shareholding is 10311476 shares consisting of 52.53%.</p> <p>** (a) Mr. Pravin S. Herlekar has acquired 195603 shares out of which 110603 shares are not reflected in his name in the beneficial position received from the depositaries as on 31st March, 2015. (b) Mr. Pravin S. Herlekar has created encumbrance on 722300 shares, which are not reflected in the beneficial position received from the depositaries as on 31st March, 2015. (c) After considering the aforesaid transactions, the total no. of shares held by Mr. Pravin S. Herlekar are 10548874 consisting of 51.26%.</p>				
2.	Mr. Omkar P. Herlekar				
	At the beginning of the year	694313	3.54	694313	3.54
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	884313	4.30
	23-10-2014 (Market Purchase)	(+) 170	0.00	884483	4.30
	At the end of the year	884483	4.30	884483	4.30
3.	Mrs. Anjali P. Herlekar (Appointed on the Board w.e.f. 20 th June, 2014)				
	At the beginning of the year	1208240	6.16	1208240	6.16
	30-08-2014 (Change in % of shareholding pursuant to increase in Paid up capital)	NIL	NIL	1208240	5.87
	At the end of the year	1208240	5.87	1208240	5.87
4.	Mr. Rishikesh P Herlekar (Appointed on the Board w.e.f. 17 th July, 2015)				
	At the beginning of the year	576510	2.94	576510	2.94
	30-08-2014 (Preferential Allotment of 190000 equity shares pursuant to conversion of warrants)	(+) 190000	0.92	766510	3.72
	At the end of the year	766510	3.72	766510	3.72
5.	Mr. Subhash P. Mali				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6.	Prof. (Dr.) Suhas M. Rane				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

7.	Dr. Vikas N. Telvekar				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
8.	Mr. Amit A. Pandit (Resigned from the Board w.e.f. 26 th March, 2015)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	N.A.	N.A.	N.A.	N.A.
9.	Mr. Siddharth S. Sinkar (Resigned from the Board w.e.f. 26 th March, 2015)				
	At the beginning of the year	11700	0.06	11700	0.06
	01-08-2014 (Market Sale)	6000	0.03	5700	0.03
	30-08-2014 (Change in % of shareholding pursuant to increase in Paid up capital)	NIL	NIL	5700	0.03
	09-09-2014 (Market Sale)	5700	0.03	NIL	NIL
	At the end of the year	N.A.	N.A.	N.A.	N.A.
10.	Mr. Laxmikant R. Kabra (Appointed on the Board w.e.f. 26 th March, 2015)				
	As on the date of his appointment	35500	0.17	35500	0.17
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	35500	0.17	35500	0.17
11.	Mr. Sitendu K. Sharma (Appointed on the Board w.e.f. 8 th May, 2015)				
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase/Decrease in shareholding during the year	N.A.	N.A.	N.A.	N.A.
	At the end of the year	N.A.	N.A.	N.A.	N.A.
12.	Mr. Vikas G. Gadre (Appointed on the Board w.e.f. 17 th July, 2015)				
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase/Decrease in shareholding during the year	N.A.	N.A.	N.A.	N.A.
	At the end of the year	N.A.	N.A.	N.A.	N.A.

13.	Mr. Subhash N. Ghalke (Appointed on the Board w.e.f. 17 th July, 2015)				
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase/Decrease in shareholding during the year	N.A.	N.A.	N.A.	N.A.
	At the end of the year	N.A.	N.A.	N.A.	N.A.
14.	Mrs. Sanjivani S. Patare (Appointed on the Board w.e.f. 17 th July, 2015)				
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase/Decrease in shareholding during the year	N.A.	N.A.	N.A.	N.A.
	At the end of the year	N.A.	N.A.	N.A.	N.A.
15.	Mr. Prakash H. Rao (Appointed on the Board w.e.f. 17 th July, 2015. Associated with the Company as designated employee during the Financial Year 2014-15)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
16.	Mr. Hiral Patel (Appointed as Chief Financial Officer w.e.f. 18 th March, 2015. Associated with the Company as designated employee during the Financial Year 2014-15)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
17.	Mr. Nirav Momaya, Company Secretary				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in shareholding during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding /accrued but not due for payment

Particulars	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,315,103,804.01	224,905,382.68	Nil	1,540,009,186.69
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1,315,103,804.01	224,905,382.68	Nil	1,540,009,186.69
Change in Indebtedness during the financial year				
Addition	187,123,921.59	171,000,000.00	Nil	358,123,921.59
Reduction	15,064,814.00	127,958,721.16	Nil	143,023,535.16
Net change	172,058,107.59	43,041,278.84	Nil	215,100,386.43
Indebtedness at the end of the financial year	1,487,162,911.60	267,946,661.52	Nil	1,755,109,573.12
i) Principal Amount	1,487,162,911.60	267,946,661.52	Nil	1,755,109,573.12
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1,487,162,911.60	267,946,661.52	Nil	1,755,109,573.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
		Pravin S. Herlekar (CMD)	Omkar P. Herlekar (WTD)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Rs. 60,00,000/-	Rs. 18,00,000/-	Rs. 78,00,000/-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	as % of profit	Rs. 48,00,000/-	Rs. 59,00,000/-	Rs. 1,07,00,000/-
	others, specify	NIL	NIL	NIL
5.	Others, please specify	N.A.	N.A.	N.A.
	Total (A)	Rs. 1,08,00,000/-	Rs. 77,00,000/-	Rs. 1,85,00,000/-
	Ceiling as per the Act	In terms of the Companies Act, 2013, the remuneration payable to Managing Director & Whole Time Director in aggregate shall not exceed 10% of the net profit of the Company. The remuneration paid to Managing Director and Whole Time Director is well within the said limit.		

Note: Mr. Rishikesh P. Herlekar and Mr. Prakash H. Rao were appointed as Executive Directors w.e.f. 17th July, 2015. Hence details pertaining to their remuneration are not provided herein above.

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Subhash P. Mali	Suhas M. Rane	Vikas N. Telvekar	Amit A. Pandit (Resigned w.e.f. 26.03.15)	
	Fees for attending Board and Committee Meetings	1,17,500	1,80,000	1,17,500	1,75,000	5,90,000
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (1)	1,17,500	1,80,000	1,17,500	1,75,000	5,90,000
Note: Mr. Sitendu K. Sharma was appointed as an Independent Director on the Board w.e.f. 8 th May, 2015 and Mr. Vikas G. Gadre, Mr. Subhash N. Ghalke and Mrs. Sanjivani S. Patare were appointed as Independent Directors on the Board w.e.f. 17 th July, 2015. Hence no remuneration was paid to them in Financial year 2014-15.						
	4. Other Non-Executive Directors	Siddharth S. Sinkar		Anjali P. Herlekar	Laxmikant R. Kabra	Total Amount
	Fees for attending Board and Committee Meetings	NIL		NIL	NIL	NIL
	Commission	NIL		NIL	NIL	NIL
	Others, please specify (Professional Charges)	NIL		NIL	NIL	NIL
	Total (2)	NIL		NIL	NIL	NIL
	Total (B) = (1+2)	NIL		NIL	NIL	5,90,000
	Total Managerial Remuneration (A+B)	-		-	-	1,90,90,000
	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the Company. The remuneration paid to the Directors is well within the said limit.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Chief Financial Officer	Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	10,86,600	6,96,600	17,83,200
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	10,86,600	6,96,600	17,83,200

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE C TO DIRECTORS REPORT FORM AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 55 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A": Subsidiaries

(Rupees in Lakhs)

Sl. No	1	2	3	4
Name of the Subsidiary	LASA LABORATORY PRIVATE LIMITED	URDHWA CHEMICALS COMPANYPRIVATE LIMITED	DESH CHEMICALS PRIVATE LIMITED	RISHICHEM RESEARCH LIMITED
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries.	INR	INR	INR	INR
Share Capital	595.00	354.44	4.95	5.40
Reserves & Surplus	1,249.93	(725.58)	59.31	81.58
Total Assets	8,993.84	8,135.18	64.37	106.23
Total Liabilities	8,993.84	8,135.18	64.37	106.23
Investments	Nil	0.10	0.25	0.25
Turnover	7,100.42	5,254.00	Nil	106.56
Profit before taxation	1,054.98	(320.27)	(0.24)	46.12
Provision for Taxation	285.96	153.82	Nil	13.79
Profit after taxation	769.02	(166.45)	(0.24)	32.33
Proposed Dividend	Nil	Nil	Nil	Nil
% of Shareholding	100%	100%	100%	100%

Note:

- There are no operations being carried out in M/s Desh Chemicals Private Limited
- There are no associate and joint venture companies pursuant to section 129(3) of the Companies Act, 2013. Hence Part B is not applicable.

**For and On behalf of the Board of Directors
Omkar Speciality Chemicals Limited**

Date: 09/08/2015
Place: Badlapur

**Pravin S. Herlekar
Chairman & Managing Director
(DIN 00525610)**

**Omkar P. Herlekar
Whole Time Director
(DIN 01587154)**

ANNEXURE D TO DIRECTORS REPORT REPORT ON THE CSR ACTIVITIES

The Corporate Social Responsibility (CSR) Policy comprises the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. The Policy focuses on enhancing the stakeholder's value, generating economic value of the nation and working towards the well-being of the society through addressing critical social, environmental and economic need of the marginalized / underprivileged sections of the society. The policy is displayed on the Company's web site (Weblink: http://www.omkarchemicals.com/Policies/CSR%20Policy_OSCL.pdf).

Overview of the projects proposed to be undertaken as per the CSR Policy:

The present CSR initiatives focus on two main recognized activities mentioned in Schedule VII of the Companies Act, 2013, namely promoting education and promoting preventive healthcare to benefit the communities in & around its manufacturing units. In addition to this, the Company is giving support to the Swachh Bharat Abhiyan initiated by Hon'ble Prime Minister Shri Narendra Modi. The Company is also actively working on the "Green Revolution" and "Go Green Initiatives" by planting trees in the nearby vicinity to protect and blossom the environment.

List of the CSR Activities undertaken by the Company in association with NGOs:

Sr. No.	Activities
1.	Organizing Blood Bank – Co-partner
2.	Activities for the benefits of physically and mentally challenged children
3.	Sponsorship for the education of the needy children
4.	Tree Plantation
5.	Organizing Medical Camps

Composition of CSR Committee:

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee of the Company comprises of following directors:

Name of Members	Category
Mr. Vikas G. Gadre – Chairman	Independent Director
Prof. (Dr.) Suhas M. Rane - Member	Independent Director
Mr. Pravin S. Herlekar – Member	Chairman & Managing Director
Mrs. Anjali P. Herlekar – Member	Non-Executive, Promoter & Woman Director
Mr. Laxmikant R. Kabra – Member	Non-Executive and Non-Independent Director
Mr. Prakash H. Rao – Member	Executive Director

Average Net Profit of the Company for the last three financial years: Rs. 2,430.38 lacs

Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 48.61 Lacs

Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: Rs. 48.61 Lacs
- (b) Amount unspent if any : Rs. 42.06 Lacs
- (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programwise	Amount spent on the projects or programs Sub heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct through implementing agency*
1.	(1) Organizing Blood Bank (2) Activities for the benefits of physically and mentally challenged children (3) Tree Plantation	Education & Health Care	1)Organizing Blood Bank – Co-partner, in Badlapur, Maharashtra 2) Activities for the benefits of physically and mentally challenged children, in Badlapur, Maharashtra 3) Tree Plantation in Badlapur, Maharashtra	Rs. 6.50 Lacs	Rs. 6.50 Lacs	Rs. 6.50 Lacs	Through implementing agency namely Rotary Club of Badlapur
2.	Sponsorship for the education of the needy children	Education	Sponsorship for the education of the needy children in Mumbai, Maharashtra	Rs. 0.05 Lacs	Rs. 0.05 Lacs	Rs. 0.05 Lacs	Through implementing agency namely Shri Navchetan Kelavani Mandal, Bombay
	TOTAL			Rs. 6.55 Lacs	Rs. 6.55 Lacs	Rs. 6.55 Lacs	

* Details of Implementing agency

In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report:

The Company has created the provision amounting to Rs. 50 Lacs to be spent on CSR activity from the profit for the financial year 2014-15. Out of the total corpus of Rs. 50 Lacs, the amount spent during financial year 2014-15 was Rs. 6.55 Lacs. The remaining amount could not be expensed out due to following constrains:

- ❖ The Company is in the process of enhancing its capacities at various locations & this process is an ongoing feature for the Company, since the Company is always finding capacity constraints for manufacturing various products as demanded by the market. The major part of its retained earnings is deployed towards this expansion.

We have carried forward the unutilized amounts into the coming year, and will be piloting the same towards CSR activities, in addition to the amount required to be spend on CSR activities during the Financial Year 2015-16.

Responsibility statement of CSR Committee:

We hereby affirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Omkar Speciality Chemicals Limited

Pravin S. Herlekar
Chairman and Managing Director
(DIN 00525610)

Mr. Vikas G. Gadre
Chairman of CSR Committee
(DIN 06746818)

ANNEXURE E TO DIRECTORS REPORT

PARTICULARS OF EMPLOYEE'S REMUNERATION & STATEMENT PURSUANT TO SECTION 197 OF THE COMPANIES ACT 2013

Particulars of Employees remuneration and other details in terms of Section 134(3)(q) read with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

Sr. No	Requirements	Disclosure																										
1	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year	<p>Executive Directors: Mr. Pravin S. Herlekar: 46.15x Mr. Omkar P. Herlekar: 32.91x</p> <p>Non-Executive Directors: Mrs. Anjali P. Herlekar: 0.00x Prof. (Dr.) Suhas M. Rane: 0.77x Mr. Subhash P. Mali: 0.50x Dr. Vikas N. Telvekar: 0.50x Mr. Amit A. Pandit: 0.74x Mr. Siddharth S. Sinkar: 0.00x Mr. Laxmikant R. Kabra: 0.00x</p> <p>Note: Mr. Sitendu K. Sharma, Mr. Vikas G. Gadre, Mr. Subhash N. Ghalke, Mrs. Sanjivani S. Patare, Mr. Rishikesh P. Herlekar and Mr. Prakash H. Rao were appointed as Director after 31st March, 2015.</p>																										
2	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	No increments were made to any Director, CFO, CEO or CS during the financial year 2014-15.																										
3	The percentage increase in the median remuneration of employees in the financial year	No increments were made to any employee during the financial year 2014-15.																										
4	The number of permanent employees on the rolls of the Company	There were 109 permanent employees on the rolls of the Company as on 31st March, 2015																										
5	The explanation on the relationship between average increase in remuneration and Company performance	N.A.																										
6	Comparison of the remuneration of the Key Managerial Personnel against performance of the Company	During the year 2014-15 the total remuneration paid to KMPs were approximately 11.31% of the net profit after tax.																										
7		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">31st March, 2015</th> <th colspan="2" style="text-align: center;">31st March, 2014</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">(A) Variation in Market Capitalization (Rs. in cr.)</td> <td style="text-align: center;">331.10</td> <td colspan="2" style="text-align: center;">289.91</td> </tr> <tr> <td style="text-align: center;">(B) Variation in Price Earnings Ratio</td> <td style="text-align: center;">8.97%</td> <td colspan="2" style="text-align: center;">10.11%</td> </tr> <tr> <td style="text-align: center;">(C) Variation in Percentage Increase/decrease of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public offer</td> <td style="text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">NSE</th> <th style="text-align: center;">BSE</th> <th style="text-align: center;">NSE</th> <th style="text-align: center;">BSE</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">64.18%</td> <td style="text-align: center;">64.39%</td> <td style="text-align: center;">50.71%</td> <td style="text-align: center;">50.00%</td> </tr> </tbody> </table> </td> </tr> <tr> <td style="text-align: center;">(D) Variation in Net Worth of the Company (Rs. in lacs)</td> <td style="text-align: center;">16,294.48</td> <td colspan="2" style="text-align: center;">13,793.42</td> </tr> </tbody> </table>	31 st March, 2015		31 st March, 2014		(A) Variation in Market Capitalization (Rs. in cr.)	331.10	289.91		(B) Variation in Price Earnings Ratio	8.97%	10.11%		(C) Variation in Percentage Increase/decrease of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public offer	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">NSE</th> <th style="text-align: center;">BSE</th> <th style="text-align: center;">NSE</th> <th style="text-align: center;">BSE</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">64.18%</td> <td style="text-align: center;">64.39%</td> <td style="text-align: center;">50.71%</td> <td style="text-align: center;">50.00%</td> </tr> </tbody> </table>	NSE	BSE	NSE	BSE	64.18%	64.39%	50.71%	50.00%	(D) Variation in Net Worth of the Company (Rs. in lacs)	16,294.48	13,793.42	
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8	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last Financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	N.A.
9	Comparison of each Key Managerial Personnel against performance of the Company	Comparison of each Key Managerial Personnel against performance of the Company is as under: Chairman and Managing Director: 6.02% Whole Time Director: 4.29% Chief Financial Officer: 0.61% Company Secretary: 0.39%
10	The key parameters for any variable component of remuneration availed by the Directors	The terms of employment of Executive Directors are contractual in nature and their remuneration consist of fixed salary, perquisites, allowances and commission as a variable % of the net profit. Profit commission is directly linked to individual performance vis-a-vis the Company's performance. Non-Executive Directors (NED) are being paid remuneration in the form of sitting fees for attending meetings of the Board and the Committees and commission out of net profit of the Company not exceeding 1% of the net profit in terms of approval granted by the Members at the General Meeting from time to time.
11	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	None of the employees draw remuneration in excess of highest paid Director during the year.
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes the remuneration is as per the remuneration policy of the Company.

Explanation:-

- (i) The expression "median" means the numerical value separating the higher half of the population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;
- (ii) If there is even number of observations, the median shall be average of the two middle values.

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended on 31st March, 2015.

Employed throughout the year and in receipt of remuneration at the rate of not less than Rs. 60,00,000/- p.a.

Name	Age	Designation/ Nature of duty	Remuneration Received (Rs.)			Total Experience	Date of Commencement of employment	Last employment held and designation	Percentage of equity shares held by the employee in the Company*
			Gross Salary	Commission	Total Remuneration				
Mr. Pravin S. Herlekar	65 years	Chairman & Managing Director	60,00,000	48,00,000	1,08,00,000	42 years	24-02-2005	Omkar Chemicals, proprietary concern	47.22% **
Mr. Omkar P. Herlekar	34 years	Whole Time Director	18,00,000	59,00,000	77,00,000	8 years	01-07-2007	N.A.	4.30%

There was no employee, employed for a part of the financial year and in receipt of remuneration for any part of the year, at a rate which, in aggregate, was not less than five lac rupees per month.

Note:

- Gross salary comprises of salary and allowances.
- Appointment of the aforesaid managerial personnel is contractual.
- * Percentage as on 31-03-2015
- ** (a) Mr. Pravin S. Herlekar has acquired 195603 shares out of which 110603 shares are not reflected in his name in the beneficial position received from the depositories as on 31st March, 2015.
(b) Mr. Pravin S. Herlekar has created encumbrance on 722300 shares, which are not reflected in the beneficial position received from the depositories as on 31st March, 2015.
(c) After considering the aforesaid transactions, the total no. of shares held by Mr. Pravin S. Herlekar consisting of 51.26% of the paid up equity share capital of the Company.
- Mr. Pravin S. Herlekar and Mr. Omkar P. Herlekar are the Promoter Directors of the Company and also relatives of Mrs. Anjali P. Herlekar and Mr. Rishikesh P. Herlekar, Directors and persons belonging to the Promoter Group of the Company.

ANNEXURE F TO DIRECTORS REPORT NOMINATION AND REMUNERATION POLICY

PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company has already constituted Remuneration Committee comprising of three Non-Executive Independent Directors as members of the Committee as required under Listing Agreement. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Agreement from time to time, the Board on 20th June, 2014 changed the nomenclature of the “Remuneration Committee” as “Nomination and Remuneration Committee”.

OBJECTIVES

The Key Objectives of the Nomination & Remuneration Committee would be:

- (a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- (b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation;
- (c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- (d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to company’s performance;
- (e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- (f) To enable the company for competing effectively in the labour market and to recruit and retain high caliber staff;
- (g) To operate at minimum rate of laour turnover.

DEFINATIONS

“**Act**” means the Companies Act, 2013 and Rules framed thereunder as amended from time to time.

“**Board**” means Board of Directors of the Company.

“**Directors**” mean Directors of the Company.

“**Independent Director**” means Director appointed in terms of Section 149 of the Companies Act, 2013.

“**Key Managerial Personnel**” (KMP) means :

- ❖ Chief Executive Officer or the Managing Director or the Manager,
- ❖ Company Secretary,
- ❖ Whole-time Director,
- ❖ Chief Financial Officer and
- ❖ Such other officer as may be prescribed.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- (a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- (b) To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel, Senior Management and other employees as may be deem fit by the Board of Directors from time to time;
- (c) To formulate criteria for evaluation of Independent Directors and the Board;
- (d) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
- (e) To recommend to the Board the appointment and removal of Directors and Senior Management;
- (f) To carry out evaluation of every Director's performance;
- (g) Ensure that level and composition of remuneration is reasonable and sufficient;
- (h) Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (i) Ensure that the remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- (j) To devise a policy on Board diversity;
- (k) To perform such other functions as entrusted by the Board of Directors or as may be necessary or appropriate for the performance of its duties.

POLICY ON THE MATTERS TO BE DEALT WITH AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The following matters shall be dealt with by the committee:

(1) Size and Composition of the Board

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspective skills, in the best interests of the Company as a whole.

(2) Directors

Formulate the criteria determining qualifications, positive attributes and independence of a director and recommending candidates to the Board, when circumstances warrant the appointment of a new director, having regard to the range of skills, experience and expertise, on the Board and who will best compliment the Board.

(3) Succession plans

Establishing and reviewing Board and Senior Management succession plans to ensure and maintain an appropriate balance of skills, experience and expertise, on the Board and Senior Management.

(4) Evaluation of performance

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

(5) Board Diversity

The Committee is to assist the Board in ensuring that diversity of gender, thought, experience, knowledge, and perspective is maintained in the Board nomination process, in accordance with the Board Diversity policy.

(6) Remuneration framework and policies

The Committee is responsible for reviewing and making recommendations to the Board on:

- a) The remuneration of Managing Director, Whole-Time Director and Key Managerial Personnel;
- b) The total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board Committees;
- c) The remuneration policies for all the employees and Key Managerial Personnel, Senior Management and other employees including base pay, incentive payments, equity awards, retirement rights and service contracts, having regard to the need to :
 - i) Attract and motivate talent to pursue the Company's long term growth;
 - ii) Demonstrate a clear relationship between executive compensation and performance; and
 - iii) Be reasonable and fair, having regard to the best governance practices and legal requirements.
- d) The Company's equity-based incentive schemes, including a consideration of performance thresholds and regulatory and market requirements;
- e) The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- f) The Company's remuneration reporting in the financial statements and remuneration report.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT(1) Appointment Criteria and Qualifications

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend to the Board his / her appointment;
- (b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole Time Director or manager, who is below the age of twenty one years or has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

(2) Term / Tenure

- (a) Managing Director / Whole-time Director / Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Whole Time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

At the time of appointment of Whole Time Director it should be ensured that number of Boards on which such Director serves is restricted to three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed from time to time.

(b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director or such other number as may be prescribed from time to time.

(3) Evaluation

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel at regular interval.

(4) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(5) Retirement

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT PERSONNEL

Remuneration to Director, Key Managerial Personnel and Senior Management:

- (1) Fixed pay: Managing Director, Whole Time Director, Executive Director, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.
- (2) Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Whole Time Director or Executive Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Shareholder and Central Government.

- (3) Provisions for excess remuneration: If any Managing Director, Whole Time Director or Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non-Executive / Independent Director:

(1) Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

(2) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(3) Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

(4) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

POLICY ON CONSTITUTION AND OPERATIONS OF THE COMMITTEE:

MEMBERSHIP:

- (1) The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being Independent.
- (2) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- (3) Membership of the Committee shall be disclosed in the Annual Report.
- (4) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRPERSON:

- (1) Chairperson of the Committee shall be an Independent Director.
- (2) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- (3) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- (4) Chairperson of the Nomination and Remuneration Committee meeting shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS:

- (1) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (2) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

MINUTES OF COMMITTEE MEETING:

Proceedings of all meetings must be appropriately recoded in the Minutes Book and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

DUTIES IN RELATION TO NOMINATION MATTERS:

The duties of the Committee in relation to nomination matters include:

- ❖ Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ❖ Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- ❖ Identifying and recommending Directors who are to be put forward for retirement by rotation;
- ❖ Determining the appropriate size, diversity and composition of the Board;
- ❖ Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- ❖ Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- ❖ Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- ❖ Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- ❖ Recommend any necessary changes to the Board; and
- ❖ Considering any other matters, as may be requested by the Board from time to time.

DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- ❖ Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;
- ❖ Approving the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- ❖ Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- ❖ Considering any other matters as may be requested by the Board from time to time.

DEVIATIONS FROM THIS POLICY:

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

ANNEXURE G TO DIRECTORS REPORT
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED
31ST MARCH 2015 (01-04-2014 TO 31-03-2015)

{Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}

To,
The Members,
OMKAR SPECIALITY CHEMICALS LIMITED
B-34, MIDC, BADLAPUR (EAST)
BADLAPUR- 421503

Dear Sirs,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by OMKAR SPECIALITY CHEMICALS LIMITED (hereinafter called “the Company”) and its subsidiary Companies in India (hereinafter referred to as “the Subsidiary Companies”) (As mentioned in Annexure I). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/Statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by “the Company” and its Subsidiary Companies and also the information provided by “the Company”, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year from 1st April, 2014 to 31st March, 2015 complied with the Statutory provisions listed hereunder and also that the Company and its Subsidiary Companies have proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Omkar Speciality Chemicals Limited (“the Company”) and the Subsidiary Companies as given in **Annexure II** for the financial year from 1st April, 2014 to 31st March 2015 according to the provisions of:

- (i) The Companies Act, 1956 (the Old Act) and the rules made thereunder
- (ii) The Companies Act, 2013 (the Act) and the rules madethereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) andthe rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules andregulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External CommercialBorrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- (vii) Other laws as applicable specifically to the company: Industrial Laws, Product Laws, Pollution Laws, Manufacturing Laws, Safety Laws and Other General and Commercial Laws including Labour Laws and Tax Laws.

As to the subsidiary companies, we have checked the compliances under the Companies Act, 2013 and Foreign Exchange Management Act, 1999. In the absence of the specific information, I am unable to comment on the compliances of other law(s) as may be applicable to the foreign subsidiary companies.

I have relied on the representation given by the Company's officials on the applicability and compliance of the Act(s) as are given in **Annexure III**.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

During the financial year from 1st April, 2014 to 31st March, 2015 under review the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation(s).

- 1) One of the subsidiary of the Company, Lasa Laboratory Private Limited whose paid up capital exceeds Rs. 5 Crores has not appointed a Company Secretary.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and has appointed woman Director as is required as per applicable clauses under Listing Agreement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had the following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

1. Issue of 950000 Equity Shares of Rs.10/- each at a premium of Rs.140/- per share on 30th August, 2014 on preferential basis by conversion of warrants into equity share capital.
2. Increase in borrowing limits upto Rs.500 crore under Section 180(1)(c) of the Act.
3. Sell, lease or dispose off whole or substantially the whole of the undertaking of the Company not exceeding Rs. 500 crore under Section 180(1)(a) of the Act.
4. Increase in authorised capital from Rs. 25,00,00,000 (Rupees Twenty Five Crores only) to Rs. 35,00,00,000 (Rupees Thirty Five Crores only).
5. To issue securities not exceeding Rs. 125 Crores on Qualified Institutional Placement ("QIP") basis, to Qualified Institutional Buyers ("QIB").
6. Setting of the investment limit not exceeding Rs.500 Crores under Section 186 of the Act.

I further report that during the audit period the Company has not undertaken events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Nilesh A. Pradhan & Co.**,
Practicing Company Secretaries

Nilesh A. Pradhan
Proprietor
FCS No: 5445.
COP No: 3659

Place: Mumbai
Date: 02/06/2015

ANNEXURE - I

List of Subsidiary Companies

1	
Name	URDHWA CHEMICALS COMPANY PVT LTD
CIN	U24100MH1986PTC040668
Registered Office Address	B-34, MIDC, BADLAPUR (EAST) BADLAPUR- 421503
2	
Name	LASA LABORATORY PRIVATE LIMITED
CIN	U24297MH1998PTC114317
Registered Office Address	F-9, MIDC, Badlapur (East) - 421503
3	
Name	RISHICHEM RESEARCH LIMITED
CIN	U24110MH1995PLC088969
Registered Office Address	W 83 C, MIDC, BADLAPUR (EAST)-421503
4	
Name	DESH CHEMICALS PVT LTD
CIN	U24111MH1983PTC031424
Registered Office Address	B-34, MIDC, BADLAPUR (EAST)BADLAPUR- 421503

ANNEXURE – II**List of documents verified**

1. Latest Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Independent Director's meeting and CSR Committee along with Attendance Register held during the period 1st April, 2014 to 31st March 2015 under report.
4. Minutes of General Body Meetings held during the period commencing from 1st April, 2014 to 31st March, 2015 under report.
5. Statutory Registers as follows
 - Register of Directors' Shareholding.
 - Register of charges.
 - Register of contracts.
 - Register of loans, guarantees and security and acquisition made by the Company.
6. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013.
8. Intimations received from Directors under the prohibition of Insider Trading Code.
9. e-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period commencing from 1st April, 2014 to 31st March, 2015 under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the period commencing from 1st April, 2014 to 31st March, 2015 under report.
11. Minutes of the proceeding of Board and General meeting of the Company and its subsidiary companies.

ANNEXURE – III**List of applicable laws to the Company**

Under the Major Group and Head

1. Factories Act, 1948;
2. Contract Labour (Regulations and Abolition) Act, 1970.
3. Employees provident fund scheme, 1952.
4. Employees pension Scheme, 1995.
5. Employees, Deposit linked Insurance scheme, 1976.

6. Employees State Insurance Act, 1948.
7. Industrial Dispute Act, 1947.
8. Inter-state migrant workmen (Regulation of employment and condition) of service Act, 1979.
9. Indian Contract Act, 1872.
10. Indian Stamp Act, 1999.
11. Minimum Wages Act, 1948.
12. Maternity Benefits Act, 1961
13. Payment of Bonus Act, 1965.
14. Maharashtra Labour Welfare Fund Act, 1953
15. Negotiable Instruments Act, 1881
16. Payment of Gratuity Act, 1972.
17. Payment of Gratuity (Maharashtra) Rules, 1972.
18. Workman's compensation Act, 1923.
19. Water (Prevention and control of pollution) Act, 1974.
20. Public liability insurance Act, 1991.
21. Environmental (Protection) Act, 1986.
22. Hazardous Wastage (Management and Handling) Rules, 1989.
23. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989.
24. Noise pollution (Regulation and control) Rules, 2000.
25. Narcotic Drugs and psychotropic substance (Regulation of control Substance) order, 1993.
26. Drugs and Cosmetics Act, 1940.
27. Drugs and Cosmetic Rules, 1945
28. Petroleum Act, 1934.
29. Petroleum Rules, 1976.
30. Trademark Act, 1999
31. The Patents Act, 1970
32. Acts as prescribed under Direct Tax and Indirect Tax.
33. Land Revenue laws of respective States;
34. Bombay Electricity Duty Act, 1958
35. Local laws as applicable.

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY SCENARIO:

GLOBAL & INDIAN CHEMICAL INDUSTRY

Chemical Industry is a knowledge as well as capital intensive industry. It plays a significant role in the global economic and social development. Chemicals are the basic necessity of day-to-day life for creatures to survive on the earth. The chemicals whether being natural or synthetic are helpful to each and every creature for the survival. The global chemical industry consists of diverse and complicated range of products to cater to the ever changing needs of the modern life. There is hardly any industry where chemical substances are not used and there is no single economic sector where chemicals do not play an important role. In terms of revenues, it is one of the world's largest industries.

Chemical Industry is also a human resource intensive industry and hence employs a large number of people. Innovations are acting as the driving force for the sustainable growth in the chemical industry.

The Asian region has emerged as the largest contributor to the global chemical industry, accounting for nearly half the global sales followed by Europe and USA in 2013. Going forward, growth in international chemical industry is expected to be driven by growth in the Asian region. Consequently, based on new geographic location of its customers, global production of chemicals is expected to move to Asia, with growth in speciality chemicals expected to be faster than the overall chemicals industry globally.

With the large talent pool available, the focus has been towards investment in R&D. Moreover, with increased globalization and domestic competition, Indian chemical players have to be more innovative by developing newer molecules by setting up cutting-edge R&D units. Based on inherent advantages like low cost labour and abundance of basic raw materials, Indian chemical players produce a large number of fine and speciality chemicals which have specific applications and find wide usage as food additives, pharmaceutical intermediates, toiletries, derivative products and anti-oxidants which can have multiple applications. India's competence in this knowledge intensive industry is increasing; however the tapped potential is very limited. Moreover India has a very strong outlook for the key end user industries as they are expected to grow at 12% p.a. over the period of five years. Hence, going ahead the demand of chemical products is expected to surge at 7-8 % p.a. over the next five years.

SPECIALITY CHEMICAL SEGMENT

Speciality chemicals are defined as a "group of relatively high value, low volume chemicals known for their end use applications and/or for performance enhancing properties." The key Speciality Chemicals comprise of Active Pharmaceutical Ingredients (APIs), personal care chemicals, agrochemicals, additives, paints, coatings, construction chemicals, colorants, soaps and detergents, fragrances, flavors, oilfield chemicals, paper and rubber processing additives and catalysts.

The specialty chemicals are prepared from the basic chemicals and sold on their basic functions. In contrast to base or commodity chemicals, speciality chemicals are recognized for 'what they do' rather than 'what they are'. Speciality chemicals provide the required 'solution' to meet the customer application needs. The critical success factors for the industry include understanding of customer needs and product/application development to meet the same at a favorable price-performance ratio.

With a view to proceed confidently in the area of global commerce, many speciality chemical companies are identifying more and more ways to reduce costs, streamline international trade operations and enter newer geographies. Additionally, companies are closely monitoring recent developments in trade relations, sanctions and export controls that could have a significant impact on speciality chemicals trade throughout the year.

INDIAN CHEMICAL INDUSTRY - GROWTH SCENARIO

The Indian chemical industry is among the established traditional sectors of the country, playing an integral role in the country's

economic development. The industry has a weight of 14% in the Index of Industrial Production (Base year 1993-94 = 100), giving an indication of the importance the sector holds in the country's industrial growth. A robust chemical industry is a harbinger of significant economic and strategic benefits to the nation.

The industry includes a wide variety of products, from basic chemicals to research-driven specialized products, at different levels across the industry supply chain. The fundamental nature and diversity of the industry is best understood from the fact that the industry itself is the largest consumer of its products, accounting for around 33% of total consumption.

Following are some of the contributing factors which will influence the Growth of the Indian Chemical Industry:

- To learn the art of developing the high quality, low cost manufacturing from lab scale to ton scale.
- Increase the R&D investment to enter the world of innovators.
- Install the State-of-the-art facilities with special focus on EHS aspects.
- Since this is a capital intensive sector, incentives –monetary or otherwise from State and Central Governments will help to expedite the growth.

Indian Chemical companies are increasingly working towards reducing energy intensity of their operations, minimizing effluent discharge and pollution, increasing the share of recyclable products in their portfolio and diversifying their raw material base to include bio-feedstock.

INDIAN SPECIALITY CHEMICAL SEGMENT - GROWTH SCENARIO

Indian Speciality chemicals sector is a fast growing sector at substantial rate and also has various investment avenues. This is creating the high rate of employment and significantly boosting the economy of country. Indian Speciality Chemicals Industry is progressively widening the productivity by employing talented chemicals engineers and scientists and improvising its basic infrastructure with modern technology.

The companies with strong focus on R&D, diversified product profile and large customer base with degree of forward-backward integration are likely to benefit from these emerging growth opportunities in medium to long term.

Being a knowledge driven industry, speciality chemicals industry focuses on R&D. Hence improvement in the processes and improving efficiency are the mantra for success. Environmental norms have been tightened in India, and hence securing approvals for new facilities are getting tough. The unorganized companies that are not fully equipped to meet such norms are most likely to face challenges in operating their plants. The companies will be required to spend substantially to adhere to the stipulated norms in this regard. However, one should consider this as an investment for encashing on bigger opportunities on Global scenario.

India's speciality chemical sector is likely to deliver a growth of 17-18% on the back of buoyant domestic demand and encouraging export opportunities. As per the Market Line report, the Specialty chemicals share of china is 24.20% as compared to India's 24.70%. India is slowly moving towards higher chemicals exports than imports.

India exports specialty chemicals to nearby Asia-Pacific countries which don't have competitive scale of productions. India also exports to developed countries of Europe and USA where it leverages its low cost of production and quality talent pool. Compliance with global regulations and India's manufacturing competitiveness has helped the export market to grow significantly. Going ahead, the consumption of the specialty chemicals in India on domestic front and on the global front is quite promising.

FINANCIAL PERFORMANCE:

(Rs in Lacs)

Description	Standalone Financial Performance		Consolidated Financial Performance	
	2014-15	2013-14	2014-15	2013-14
Revenue from operations	19,331.31	20,962.11	26,513.37	24,027.98
EBITDA	3,283.13	2,894.08	5,216.78	4,287.38

Interest/Finance Charges	1,142.80	1,174.63	1,448.35	1,435.73
Depreciation & Amortization	197.36	610.16	1,032.68	1,205.90
Other Income	491.02	574.73	89.75	324.78
Profit Before Tax	2,044.94	2,073.07	2,825.49	1,970.53
Taxation	251.48	612.85	397.40	614.47
Profit After Tax	1,793.46	1,460.22	2,428.09	1,356.06
Earnings Per Share (in Rs)				
Basic	8.89	7.44	12.03	6.91
Diluted	8.89	7.10	12.03	6.59
Face value of equity share (in Rs)	10.00	10.00	10.00	10.00

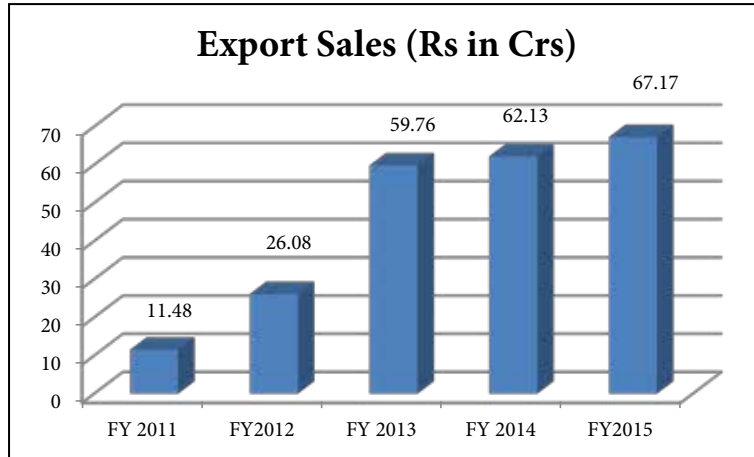
The Company has reported a healthy growth in terms of consolidated net profit and EPS during the FY 2014-15. The Company is confidently progressing on the consolidated basis by posting a rise of 10.35% in the revenues and 79.06% in the net profit as compared to the FY 2013-14. The performance of the Company in terms of revenue on standalone basis seems to have declined during FY 2014-15. The standalone performance of the Company in terms of profit and EPS for FY 2014-15 indicates positive attributes despite of downfall in the revenues in comparison to FY 2013-14.

Following are the factors which had major impact on the financial performance of the Company during FY 2014-15:

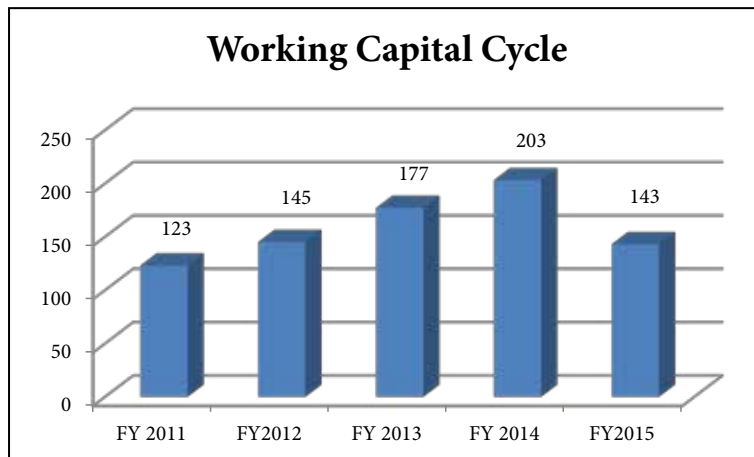
- Pursuant to the provisions of the Companies Act, 2013, for calculating depreciation on the assets, which came in to force from 1st April, 2014, the Company has determined the expected useful life of the Assets, based on the factors like, their installation period, nature of manufacturing processes and other applicable factors involved in the processes, and on such basis the depreciation was calculated and charged to the profit and loss account. As a result of revision in the applicable rules for providing of depreciation, the cost of depreciation was recalculated which has resulted into decrease in the depreciation charge.
- Pursuant to the provisions of Section 35(2AB) of the Income Tax Act, 1961, the Company's R&D facilities are duly approved by DSIR and the Company is entitled to claim 200% deduction of expenses incurred on R&D. During the last year, while making the provision for tax, the said entitlement certificate was still awaited hence the provision was made without considering the said benefit and the same was adjusted while making provisions for tax for FY2014-15. Further, the Company is entitled for MAT credit in respect of the earlier years. The said credit entitlement was not accounted as an asset in the books previously. During the current year, in order to comply with the relevant Accounting Standard, the said credit is shown as MAT credit entitlement receivable in the books. On account of DSIR certification and MAT benefits, the provision for taxation got diluted resulting into rise in the net profit after tax for the FY 2014-15.
- The Company is focusing on the backward and forward integration to add value to its operations and yield better performance. The focus on the backward and forward integration is enabling the Company to become cost competitive. This is giving the cost benefits not only by reducing cost of the intermediates, which otherwise it would have purchased from the market, but also enhance margins on APIs that are developed by using these in-house manufactured intermediates. This initiative by the Company will go a long way in improving its EBITDA margins and net profits of the Company and provide a strong foundation to its operations.
- The Company's major expansion plans during FY 2014-15 got delayed and its Unit No. V could not be commissioned due to various reasons attributable mostly for getting statutory consents and clearances. During the FY 2015-16, the Company hopes to commence and streamline all these different production facilities of the Company.

EXPORTS:

The Company's exports on consolidated basis marginally increased from Rs 62.13 cr. in FY 2013-14 to Rs 67.17 cr. in FY 2014-15. The export trend of the last five years is given below.

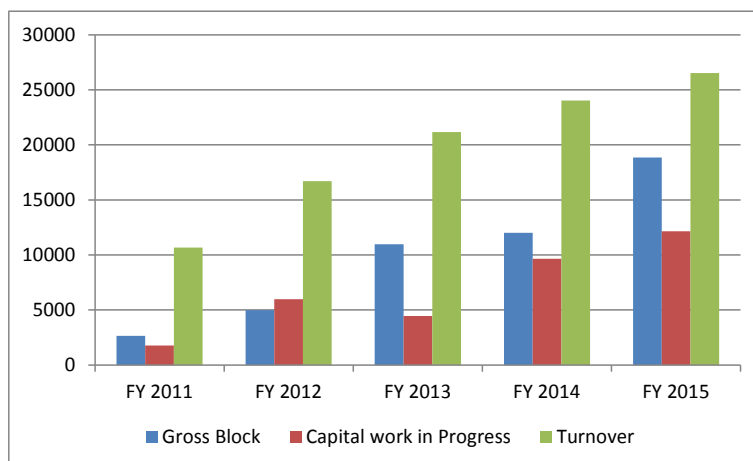
**WORKING CAPITAL CYCLE:**

The Company is continuously reviewing the status of stressed working capital cycle and the necessary steps are being taken for optimizing the cycle by maintaining minimum inventories, bring down the receivables by focusing more on the exports etc. The progress on the working capital cycle is captured herein below:

**PROGRESS OF EXPANSION WORK:**

- During the last quarter of FY 2014-15, the Company has commenced commercial production at its Unit No. VI located at Chiplun. This unit will undergo a phase II of expansion to extend capacity by FY 2015-16.
- In addition to this, the Company has also completed the phase I expansion of manufacturing facilities of M/s Lasa Laboratory Private Limited, wholly owned subsidiary of the Company located at Mahad and started commercial production from the said expanded facilities. This unit is undergoing a phase II of expansion to extend capacity which will be completed by FY 2015-16.
- The Company is also upgrading the facilities of M/s Urdhwa Chemicals Company Private Limited, wholly owned subsidiary of the Company for making the unit as FDA compliant unit.
- The Company's major manufacturing facility i.e. Unit No. V located at Chiplun is awaiting for the Environment Clearance from the State Government. The process for obtaining Environment Clearance is at very advance stage and the Company is expecting to commence and streamline this production facility during FY 2015-16.

OMKAR CHEMICALS: INVESTING IN FUTURE GROWTH



(All figures in Rs Lakh)

CAPACITY UTILISATION:

The volumetric and rated production capacities of the existing units of OSCL group are as under:

Production Units	Activity Undertaken	In Tonne Per Annum			Capacity Utilisation %age
		Volumetric Capacity	Rated Capacity	Production in FY15	
Unit No 1, Badlapur	Inorganic Derivatives	600	400	318.78	79.70
Unit No 2, Badlapur	Organic Intermediates	1025	600	474.17	79.03
Unit No 3, Badlapur	Dedicated facility for Selenium Sulphide	75	20	13.19	65.95
Unit No. 4, Badlapur	Centralize Warehouse	N.A.	N.A.	N.A.	N.A.
Unit No. 5, Chiplun	Organic Intermediates	N.A.	N.A.	N.A.	N.A.
*Unit No. 6, Chiplun	Organic Intermediates	300	300	27.68	9.23%
Lasa Laboratory Private Limited, Mahad	APIs (Veterinary)	450	450	422.55	93.90
Urdhwa Chemicals Company Private Limited, Chiplun	Organic Intermediates	2800	300	239.82	79.94
Rishichem Research Limited, Badlapur	Pilot plant for product commercialization	N.A.	N.A.	N.A.	N.A.
Total		5,250	2,070	1,496.19	72.28

* Unit VI was commenced in the last quarter of FY2014-15.

The volumetric capacities indicate the aggregate volumes of all the reactors installed in the respective Unit. The rated capacity signifies the expected production in tonnage for a constant product mix, which is commonly being manufactured in the respective Unit.

In OSCL's case the rated capacity may or may not match with the actual production in tonnage because the actual production will depend on the following factors:

- The number of stages involved in each product
- The reaction time cycle in each stage of the process
- The dilution involved in each of the process step
- The type of product mix produced in a given year

Other factors, which influence the production tonnage include:

- (i) Processing required for recovery of solvents for reuse
- (ii) Reactor occupancy for recovery of by-products or side streams and purification thereof
- (iii) Downtime arising out of cleaning of equipment for changeover of products

The utilization of the capacity may appear to vary from time to time on account of various factors listed above.

Thanks to its unique abilities in niche chemistry, the demand for OSCL's products is always on rise, which is causing a capacity constraint and has necessitated the ongoing capacity expansions. During FY2014-15 OSCL's units in operation achieved 72.28% capacity utilization level.

SWOT ANALYSIS

Strengths & Opportunities

- Our capacities are multipurpose and fungible. Our product segments include Iodine Compounds, Selenium Compounds, Intermediates, APIs, Resolving Agents and Others, which comprises of more than 200 products. The manufacturing infrastructure helps us to change our product mix in response to changes in market demand with minimum lead time. The fungibility of manufacturing units enables us to make optimum utilization of capacity across the units.
- We have a diverse customer base from different industry segments like pharmaceutical, chemical, glass, cosmetics, ceramic pigments, etc. Further, we export our products to various countries in Europe, North America, South America, Asia and Africa Australia and New Zealand. We focus on expanding our customer base by catering to the requirements of customers from various industry segments. The diversified customer base makes us less susceptible to market volatilities.
- We constantly try to address customer needs around a spectrum of products. We believe that our manufacturing and research facilities help us to get repeat business from our customers. We have existing client relationships in domestic and international markets from whom we get orders on a continuous basis. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.
- We believe that we have developed processes for manufacture of products in a cost effective manner. Our R&D team is continuously working on the processes for our existing products in order to improve production with optimum utilization of resources and saving costs. Further, our state-of-the art R&D centre, at Badlapur, has been recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India as a "Recognized in-house R&D unit".
- We have quality control departments at each of our units, the activities of which comprise of collection and preparation of samples, testing of raw materials and other process inputs inspection, testing and quality certification of finished products, preparation of technical information sheet and issue of certificate of analysis. Our Unit No. II and Unit of Lasa Laboratory Private Limited, wholly owned subsidiary, have been granted ISO 9001-2008 Certification. Our Unit No. II is granted FAMI-QS certification for Feed Additives. Our Unit No. III and Unit of Lasa Laboratory Private Limited, wholly owned subsidiary, are having FDA licenses.
- The Company has a rich manufacturing experience and has developed expertise in various reactions for bigger volumes of production, which is a key strength in speciality chemical industry.

Weaknesses, Risks and Concerns

- There are enormous opportunities in the speciality chemicals segment. However, along with the opportunities, this segment also faces the challenges in terms of development of new molecules & meeting quality requirements of the customers. The speciality chemicals industry is majorly driven by R&D activities pertaining to development of new molecules to cater to the needs of the customers. The Company deals with these challenges with a strong R&D backbone. The said nature of speciality chemicals

industry, acts as one of the entry barrier for the interns to aspire in this industry.

- The Company is exposed to health, safety, security and environmental risks, given the diversity and complexity of the industry in which the Company operates. The commitment of the Company towards employee health, safety and security extends beyond accidents and occupational health hazards to social wellbeing of employees. The Company conducts Environment, Health and Safety audit periodically to get assurance on Company's framework protocol on Environment, Health and Safety and regulatory compliances. The Company has also prepared and adopted Environment, Health and Safety Policy entailing the commitment of the Company towards environment, health and safety.
- The evolution of the regulatory environment across the globe has resulted into increased regulatory scrutiny that raises minimum standards required by the Company necessitating growing investment in compliance. However, the Company considers the regulatory requirements as a source of competitive advantage and therefore strives to abide by the changing regulatory standards so as to consolidate its position in business and integrate these aspects in its business strategy.

HUMAN RESOURCE:

We consider our employee strength as a critical factor to our success. As on 31st March, 2015, 253 employees are on the Company's payroll, including its all wholly owned subsidiaries. In addition to this, we have contractual manpower required for executing various activities. As on 31st March, 2015, we have hired on contract basis an aggregate of 337 workers. Till date, we have not experienced any strike, lockout or go-slow at any of our units.

The current workforce structure has a good mix of employees at all levels. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees. We have drawn up a comprehensive human resource strategy that address's key aspects of human resource development.

The Company aims to develop the potential of every individual associated with it as a part of its objective. Performance measurement is a fundamental principle of the management. The measurement of performance is important because it identifies the performance gaps between current and desired performance and provides indication of progress towards closing the gaps. The Human Resource Department has carefully selected key performance indicators and has taken following steps to improve performance of our workforce:

- The Company is proposing for introducing Stock Option Plans titled "OSCL ESOP 2015" for the employees of the Company and its Subsidiary Company(ies), for rewarding them, for their integrity, continuous hard work, dedication and support, which has led the Company on the growth path.
- Appropriate trainings sessions have been conducted in the areas of safety and quality assurance.
- Organizes medical camps for its employees and workers working at all the units and plants in order to ensure their health and wellbeing.

ENVIRONMENT PROTECTION & ENERGY CONSERVATION

The manufacture of speciality chemicals, intermediates and APIs involves generation of residues and discharges which may lead to pollution of air, water or soil if not treated and disposed in an appropriate manner. We have in place management controls and systems, which control and prevent processes, residues and discharges from polluting the air, ground or water.

The primary treatment of the liquid wastes is carried out in-house. The secondary and tertiary treatment is carried out at the local Common Effluent Treatment Plant (CETP). All of our manufacturing units are registered with CETPs located at Badlapur, Mahad and Chiplun. The liquid waste is the water from the processes, boiler blow-down, cooling tower blow-down etc. This water has impurities like suspended solids, oil & grease etc. This water is treated prior to discharge out of the factory and the primary treatment involves neutralization, flocculation, sedimentation, settling, controlling COD / BOD etc. The treated effluent is drained into underground

pipelines laid by CETP and this effluent gets collected in the Common Effluent Sump at CETP for further necessary treatment. Airborne emissions are scrubbed in scrubbers and are discharged after removal of hazardous soluble gases and insoluble particles like dust.

All of our manufacturing units are registered with Mumbai Waste Management Limited at Taloja. The Solid wastes generated at each Unit are collected periodically and treated before further disposal. The processes are optimized to focus on minimizing the generation of waste and thereby preventing pollution at source.

OSCL is committed to managing safety, security, health, environmental and social risks at its facilities. It is committed to conducting business in a manner that protects and promotes safety and health of its employees as well as those involved with the operations and communities around its facilities.

The manufacturing operations are conducted to ensure sensitivity towards the environment and ensure waste reduction by encouraging "Green" practices. Tree plantation activities are undertaken to create green belts at the manufacturing locations. The Green Initiative also extends to the business practices and product innovations. Continuous efforts are made for development of products that are sensitive to current environmental needs, especially water conservation.

INTERNAL CONTROL SYSTEM

The Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes, which consists of implementing and adopting appropriate management systems, are followed. These are aimed at giving the audit committee, reasonable assurance on the reliability of financial reporting, statutory and regulatory compliances, effectiveness and efficiency of the Company's operations. The internal control systems are reviewed periodically and revised to keep in tune with the challenging business environment. Internal audit focuses on control systems, optimum utilization of resources, prevention of frauds, adequacy of information system, security and control and compliance with risk management systems.

SUBSIDIARIES:

The Company has four wholly owned subsidiaries namely Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited and Desh Chemicals Private Limited.

Lasa Laboratory Private Limited

The manufacturing facility of Lasa Laboratory Private Limited, located at C-105, Mahad Industrial Area, MIDC, District Raigad. Lasa Laboratory Private Limited is one of the established players in the anthelmintics/veterinary API segment with state-of-the-art Good Manufacturing Practices (GMP) and FDA approved API manufacturing facility. Its turnover has increased from Rs. 3,421.92 lakhs in FY 2013-14 to Rs. 7,100.42 lakhs in FY 2014-15, recording a 108% jump.

Lasa Laboratory Private Limited has completed the phase I expansion of its existing manufacturing facilities and started commercial production from the said expanded facilities. This unit is undergoing a phase II of expansion to extend capacity which will be completed by FY 2016.

During the year under consideration, Omkar Speciality Chemicals Limited has acquired 12,00,000 equity shares of Lasa Laboratory Private Limited, at the rate of Rs. 25/- per share (Face Value Rs. 10/-) resulting into increasing the investment in the said subsidiary company.

Based on the Consolidated Audited Annual Financial Results of the Company for the Financial Year ended on 31st March, 2015, Lasa Laboratory Private Limited has become the material non-listed Indian subsidiary company.

The Company has formulated a Policy for dealing with the Material Non-Listed Subsidiary Company. According to the said policy, the Company has appointed Mr. Sitendu K. Sharma (DIN 01956423) an Independent Director on the Board of Lasa Laboratory Private Limited w.e.f. 1st August, 2015.

Urdhwa Chemicals Company Private Limited

The manufacturing facilities of Urdhwa Chemicals Company Private Limited, located at Plot No. C-4, MIDC, Lote Parshuram Industrial Area, in Ratnagiri district of Maharashtra. Urdhwa Chemicals Company Private Limited, is expanding and upgrading its existing manufacturing facilities by setting up warehouse for Raw Materials and Finished Goods alongwith finishing area for its products on the adjacent Plot i.e. Plot No. C-4/1, MIDC, Lote Parshuram Industrial Area, in Ratnagiri district of Maharashtra, for making the existing manufacturing unit as FDA compliant unit.

Rishichem Research Limited

Rishichem Research Limited, having its manufacturing facility located at W-83 (C), MIDC, Badlapur (East), District Thane, continues to be the dedicated pilot plant for scale up operations for product development.

Desh Chemicals Private Limited

Desh Chemicals Private Limited, did not carried out any business during the FY 2014-15. Further, the Company does not hold any physical assets or outside liabilities.

Merger of Urdhwa Chemicals Company Private Limited with Lasa Laboratory Private Limited:

We would like to inform you that, the management of the Company has decided for merging Urdhwa Chemicals Company Private Limited with Lasa Laboratory Private Limited.

Lasa Laboratory Private Limited is engaged in manufacturing of veterinary APIs and the business opportunities are promising. Lasa is manufacturing only those APIs for which OSCL has in house ability for manufacturing the raw materials required by Lasa. The demand for the products manufactured by Lasa are also increasing in the global market. Urdhwa Chemicals Company Private Limited is engaged in the manufacturing of organic intermediates and major portion of the products manufactured by Urdhwa are consumed by Lasa for manufacturing and marketing its APIs. This arrangement of forward-backward integration enables OSCL group in the following manner:

- It helps in controlling the quality of raw material required for manufacturing of APIs and subsequently of the final products.
- It reduces the dependency on the supplier of raw materials required for manufacturing of APIs.
- This strategy makes the final API products cost efficient and competitive, which benefits Lasa in gaining higher margin in its products.

In addition to above, the OSCL group will also enjoy the following benefits for this strategic merger:

- Improving Economies of scale: Lasa will enjoy the benefits of the cost advantages based on the economies of scale. The increase in the size, output, or scale of operation, will reduce the cost per unit of output as fixed costs are spread out over more units of output.
- Strategic Integration: The Strategic integration will be an important element as it will improve the overall performance because merger will facilitate the continuous alignment of business strategies within the ever changing business environment.
- Synergies: This merger will help Lasa in not only improving its efficiency based on the combined effect but also enable in reducing

various compliance related matters pertaining to the related party transactions, transfer pricing, records maintenance under indirect taxes etc.

- **Taxation Benefit:** Urdhwa is having unabsorbed losses, which can be adjusted against the profits of Lasa post merger, pursuant to the provisions of Section 72 of the Income Tax Act, 1962.
- **Financial Benefits:** In view of the above benefits, Lasa will also enjoy financial benefits based on reducing cost on operational matters, regulatory matters and aliening the cost of finance on its working capital requirements.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward- looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include climatic conditions, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance broadly refers to the mechanisms, processes and relations by which companies are directed and controlled by the management in the best interest of all the stakeholders. Corporate Governance includes the processes through which company's objectives are set and pursued in the context of the social, regulatory and market environment. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company.

The philosophy of the Company on Corporate Governance envisages working towards high levels of transparency, professionalism, accountability and delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company tries to work by the following principles of corporate governance in all its interactions with stakeholders including shareholders, banks, employees, customers, creditors, suppliers, local communities and statutory authorities:

- ❖ Implementing the procedures to safeguard the integrity of the financial reporting of the Company;
- ❖ Timely disclosure of material matters concerning the Company;
- ❖ Respecting the rights of stakeholders and helping them to exercise those rights by effectively communicating the information;
- ❖ Respecting to the legal, contractual, social, and market driven obligations towards stakeholders;
- ❖ Developing a code of conduct for Directors and senior management employees for promoting ethical and responsible decision making.

The Companies Act, 2013 read with the rules framed thereunder introduces significant changes in the provisions of governance, e-management, compliance and enforcement, disclosure norms etc. Further, the Companies Act, 2013 aims to fortify investor protection & transparency by introducing terms like Insider Trading, Price Sensitive Information, Class Action Suits and other additional disclosures. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 amended the provisions of Clause 49 of the Listing Agreement effective 1st October, 2014. The amended Clause 49 brought additional corporate governance norms for listed entities. These norms aim at building of a smooth and easy corporate environment along with the new and improved measures for stricter disclosures and protection of investor rights. The amended Clause 49 has introduced the provisions like rights of shareholders, entrusting wide responsibilities on the Independent Directors, requirements pertaining to obtaining of shareholders' approval for related party transactions, compulsory establishment of whistle blower mechanisms, and mandated the appointment of at least one Woman Director on the Board. Our Company has elevated its framework to the highest corporate governance level to help the Company be aligned with the new guidelines of the Companies Act, 2013 and Listing Compliances.

In terms of Clause 49 of the Listing Agreement executed with Stock Exchanges, the details of compliance are as follows:

I. BOARD OF DIRECTORS AND PROCEDURES

A. Profile of Board of Directors

Mr. Pravin S. Herlekar is the Chairman and Managing Director and one of the Promoters of the Company. He is a Bachelor of Technology in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and is a Post Graduate in Management Studies from Mumbai University. He has an overall experience of around 42 years in the field of Product Development, Marketing and Administration. He is the Founder of the Company and has been actively involved in the business of the Company since its inception. He has been instrumental in playing a key role in the Company's growth with his inputs in Strategic Planning and Business Development. Over the years, he has played a vital role in expanding the operations and directing the Company's growth in a defined manner.

Mr. Omkar P. Herlekar is the Whole Time Director and the one of the Promoter of the Company. He is a Bachelor of Science and Master of Science (By Research) in Chemistry from the University of Mumbai. He has an overall experience of 8 years. He spearheads the Research & Development activities of OSCL and supervises the entire factory operations. He is also actively involved in the setting up and implementation of new manufacturing units of the Group. He has the ability to sequester a project within a vertical and then analyze it threadbare on various dimensions with elan, including strategic, financial, marketing, R&D and branding.

Mrs. Anjali P. Herlekar is a Non-Executive Director in the capacity of Promoter Director and Woman Director of the Company. She is a Bachelor of Science (Physics) and Master of Education from University of Bombay. She has an overall experience of more than 20 years in the field of policy matters & HR administration in addition to her teaching experience. She joined Omkar Chemicals in the year 1995 and was responsible for activities related to human resource development. She was also a Director in the Company from its incorporation till 29th March, 2011.

Mr. Rishikesh P. Herlekar is an Executive Director of the Company. He is a B.E. (Chemicals) graduate and pursuing M. Tech in Pharmaceuticals Sciences. He is engaged in Business Development of OSCL Group by Identifying and targeting new areas of business including new products and new customers, expanding exports of Company's products to various geographies in different continents, maintaining customer relationship. He is also involved in Accounting, Audit & Finance area, Coordinating with Production, Quality Production, Quality Assurance and related Regulatory Matters. He is having overall experience of 2 years.

Prof. (Dr.) Suhas M. Rane is an Independent Director of the Company. He is BE (Mechanical), Diploma in Management Studies (DMS) and Master of Financial Management (MFM), all from the University of Mumbai. Later, he completed his Ph.D. in Supply Chain Management from the University of Pune. He has an overall experience of 42 years. Earlier, he has worked with Mahindra & Mahindra, Tata Motors, Pidilite Industries, Soji Group, PROCONS Consultants in their various operations functions. Later he moved to academics from the year 2000. He was Asso. Dean of ICFAI Business School and thereafter become the Director - Planning of Narsee Monjee Institute of Management Studies. Presently, he is a Management Consultant and Visiting Faculty to several leading B-Schools like: NMIMS, S. P. Jain Centres - Singapore & Dubai, Indo-German Chamber of Commerce, CII. He has to his credit- several Research Papers published in the national & inter-national journals and conferences. His special interest and research lies in RFID technology applications.

Mr. Subhash P. Mali is an Independent Director of the Company. He is a Bachelor of Chemical Engineering from University of Bombay. He has an overall experience of about 37 years. During his tenure, he has worked with Asian Paints Limited, Ranbaxy Laboratories Limited and Unichem Laboratories Limited. He has worked as Director Technical with Kopran Limited. Since 2003, he is working with Arch Pharmed Labs Limited, Mumbai as Technical Director.

Dr. Vikas N. Telvekar is an Independent Director of the Company. He holds two Bachelor's Degrees in Science - one in Chemistry and other in Technology from University of Mumbai. He has done Master of Science (Technology) and Doctor of Philosophy (Technology) in Pharmaceutical and Fine Chemicals from Institute of Chemical Technology (Formerly UDCT and now ICT), Mumbai. He has an overall experience of more than 13 years in the areas of Pharmaceutical Chemistry and Research & Development. From August 2002 to April 2003 he was working as a Group Leader in the Research and Development of Gharda Chemicals Limited, Mumbai. Since 2003, he is associated with Institute of Chemical Technology, Department of Pharmaceutical Science and Technology as a permanent faculty. He specializes in Pharmaceutical Science, Medicinal Chemistry, Process Technology and Pharmaceutical Engineering. His articles have been published in various International Publications. Recently Department of Science and Technology (DST), Government of India has awarded the BOYSCAST fellowship. Under this award he has spent 6 months in St. Johns' University, NY, USA to study on design of anti-diabetic agents using glycoprotein receptor (GPR) as a target. Currently 17 students are working under his guidance for doctorate (Ph.D) in the area of anti-tuberculosis, anti-diabetic agents and hypervalent iodine reagents for functional groups transformations. In 2013 he was elected as Fellow of Maharashtra Academy of Sciences.

Mr. Laxmikant R. Kabra is a Non-Executive and Non-Independent Director of the Company. He is an eminent Chartered Accountant having more than 23 years of experience in the fields of Income Tax, Company Law, Banking, Finance, Statutory

Audit, Internal Audit, Concurrent Audit, Special Task Audit, Tax Audit, Bank Audit, Financial Institutions Audit, Designing and developing Internal Control and Check Systems etc. He has been practicing as a Chartered Accountant, in Mumbai, under the firm name M/s Laxmikant Kabra & Co. In the past, he has independently handled various assignments pertaining to the Companies like Unichem Laboratories Ltd., Jayant Vitamins Ltd., Rama News Prints Ltd., Carbon Everflow Ltd., Tata SSL Ltd., Sulphur Mills Ltd., UCB Ltd., Life Insurance Corporation of India, Oriental Insurance, Western India Coal Fields Ltd., Nationalised Banks, Charitable trusts, Co-op Soc., Partnerships firms etc.

Mr. Sitendu K. Sharma is an Independent Director of the Company. He is an eminent Chartered Accountant having over 25 years of experience in the area of finance, tax planning, service tax etc. He has been practicing as a Chartered Accountant, in Mumbai, under the firm name M/s Sitendu Sharma & Company.

Mr. Vikas G. Gadre is an Independent Director of the Company. He is B.Tech (Chemical) from IIT Bombay, MBA from IIM Bangalore, passed examinations conducted by ICSI and Certified Quality Analyst & Examiner for TBEM. He is presently heading Bombay Chamber of Commerce and Industry, a premier Chamber of commerce as Director General. He is also engaged in teaching business strategy, IT strategy and IT Governance at, JBIMS, NMIMS Mumbai. He is also on the board of studies for information technology at NMIMS Mumbai. He is also serving on advisory panel for Welingkar Institute of Management Studies and S P Jain Institute for Management Studies. He is also serving on the advisory panel for CSI Mumbai, Bombay stock exchange etc. He is also appointed on the Board of Governor of NITTTR (National Institute for Technical Teachers Training and Research) Bhopal which is one of the 4 central Govt. Institution for technical training. (The appointment is conducted by Ministry of Human Resources & Development Affairs, New Delhi). He is having overall experience of 40 years.

Mr. Subhash N. Ghalke is an Independent Director of the Company. He is a Bachelor of Technology from IIT Bombay and Master in Technology from IIT Kanpur. He has worked as Project Engineer with Ageis Chemicals Industries, General Manager with Colgate Palmilive India Ltd. as well as Colgate Palmilive Nepal and Lime Chemicals Ltd., Senior VP with Jayant Oils and Derivatives Ltd. and was Ex.Director of Chemtrols Ltd. He is having overall 40 years of experience in designing, engineering and commissioning green field projects, Setting up of R&D Facilities, building of new manufacturing units etc. He has also received Global recognition at COLGATE for leading High Commitment work teams and globalizing its initiative.

Mrs. Sanjivani S. Patare is an Independent Director and Woman Director of the Company. She is Commerce & law graduate from University of Pune. She is practicing Advocate and legal advisor for last 20 years. She has been associated / working as Advocate for certain Commercial Banks, Other Co-op Banks and Financial Institutions.

Mr. Prakash H. Rao is an Executive Director of the Company. He started his carrier in Administration Department in the early 80's and worked with various textile mills and later on became General Manager. He has over 20 years of experience in the field of Human Resource, Administration, Public Relations and Safety. In the year 2005, he was honoured by DISH for contribution toward Safety in the Industrial belt. He was also invited to be a member of Rotary Club, wherein, he has played an active role in helping and coordinating with school children for environment, safety and health. He joined OSCL as VP Human Resource, Administration and Public Relations and he was pioneer in lifting the organization to the new heights and played a key role in compliances and coordinating with all the Govt. Agencies like MPCB, MIDC, DISH, Labour Department, FDA, Environmental Audits, PF, ESIC and such other related agencies.

B. Composition of the Board

As on 31st March, 2015, the Company was having 7 Directors on its Board. The present strength of the Board of Directors of the Company is 13 Directors. Currently, the Board of Directors consist of 1 Chairman and Managing Director, 1 Whole Time Director, 2 Executive Directors, 1 Non-Executive Director in the Capacity of Promoter Director and Woman Director, 7 Non-Executive & Independent Directors (including 1 Woman Independent Director) and 1 Non-Executive and Non-Independent Director. All of them possess requisite qualifications and experience in general corporate management, finance, banking, chemistry, technology, chemical engineering and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

The Independent Directors have submitted the declarations pursuant to Section 149(6) of the Companies Act, 2013 confirming that they are meeting the criteria for Independence, as specified in the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement pertaining to their independence. The copy of the appointment letter(s) issued to Independent Director(s), setting out the terms and conditions of their appointment are available on the website of the Company for inspection by the members of the Company.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 Committees [as specified in Clause 49 of Listing Agreement], across the Companies in which they are Directors. None of the Directors holds office as such for more than 10 public companies and 20 companies at the same time. The necessary disclosures regarding Directorship and Committee positions have been made by the Directors and the same forms the part of this Report.

The Board reviews and approves the strategy and oversees the actions and results of Management to ensure that the long term objectives are achieved.

C. Meetings of the Board

Seven Board Meetings were held during the financial year 2014-15 and the gap between any two consecutive meetings did not exceed one hundred and twenty days at any point of time. The dates on which Board Meetings were held are as follows:

10 th May, 2014	20 th June, 2014	14 th August, 2014	30 th August, 2014
13 th November, 2014	2 nd February, 2015	26 th March, 2015	--

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting; as also the details of the Directorship, Chairmanship and the Committee Memberships held by Directors, are given below:

Name of Director	Category	Attendance Particulars			No. of outside Directorships*	No. of Committee positions held (excluding in the Company)#	
		No. of Board Meetings held during the tenure of Director	No. of Board Meetings attended by the Director	Attended the Last AGM held on 09.08.14		Chairman	Member
Mr. Pravin S. Herlekar	Chairman & Managing Director	7	7	Yes	4	NIL	NIL
Mr. Omkar P. Herlekar	Whole Time Director	7	7	Yes	4	NIL	NIL
Mrs. Anjali P. Herlekar	Non-Executive, Promoter and Woman Director	5	5	Yes	NIL	NIL	NIL
\$ Mr. Amit A. Pandit	Independent Director	7	7	Yes	N.A.	N.A.	N.A.
Prof. (Dr.) Suhas M. Rane	Independent Director	7	6	Yes	NIL	NIL	NIL
Mr. Subhash P. Mali	Independent Director	7	7	Yes	NIL	NIL	NIL
Dr. Vikas N. Telvekar	Independent Director	7	7	Yes	NIL	NIL	NIL

\$ Mr. Siddharth S. Sinkar	Non-Executive Non- Independent Director	7	7	Yes	N.A.	N.A.	N.A.
^ Mr. Laxmikant R. Kabra	Non-Executive Non- Independent Director	N.A.	N.A.	N.A.	5	2	2
@ Mr. Sitendu K. Sharma	Independent Director	N.A.	N.A.	N.A.	3	3	1
& Mr. Vikas G. Gadre	Independent Director	N.A.	N.A.	N.A.	NIL	NIL	NIL
& Mr. Subhash N. Ghalke	Independent Director	N.A.	N.A.	N.A.	NIL	NIL	NIL
& Mrs. Sanjivani S. Patare	Independent & Woman Director	N.A.	N.A.	N.A.	NIL	NIL	NIL
& Mr. Rishikesh P. Herlekar	Executive Director	N.A.	N.A.	N.A.	2	NIL	NIL
& Mr. Prakash H. Rao	Executive Director	N.A.	N.A.	N.A.	NIL	NIL	NIL

\$ Resigned from the Board of the Company w.e.f. 26th March, 2015

^ Appointed on the Board of the Company w.e.f. 26th March, 2015.

@ Appointed on the Board of the Company w.e.f. 8th May, 2015.

& Appointed on the Board of the Company w.e.f. 17th July, 2015.

* Directorships exclude private limited companies, foreign companies, Section 8 companies and alternate directorships.

Chairman includes Member. Only Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee in Indian public companies other than OSCL are considered.

D. **Board Procedure**

The Company has a well-defined, structured Board Procedure in Compliance with Clause 49 of Listing Agreement, the Companies Act, 2013. All the Committees are constituted in accordance with regulatory requirements. The Agenda is circulated well in advance to the Board Members. The Agenda items are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure X to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken, wherever necessary. The Chairman and Managing Director at the Board Meetings keeps the Board apprised of the overall performance of the Company.

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report;
- Minutes of meetings of the Audit Committee and other Committees of the Board;
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems;

- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.;
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others;
- Appointment, remuneration and resignation of Directors;
- Formation/reconstitution of Board Committees;
- Terms of reference of Board Committees;
- Minutes of Board meetings of unlisted subsidiary companies;
- Declaration of Independent Directors at the time of appointment/annually;
- Disclosure of Directors' interest and their shareholding;
- Appointment or removal of the Key Managerial Personnel (KMP) and officers one level below KMP;
- Appointment of Internal Auditors and Secretarial Auditors;
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors;
- Dividend declaration;
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made;
- Significant changes in accounting policies and internal controls;
- Takeover of a company or acquisition of a controlling or substantial stake in another company;
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies;
- Issue of securities including debentures;
- Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee;
- Internal Audit findings and External Audit Reports (through the Audit Committee);
- Proposals for major investments, mergers, amalgamations and reconstructions;
- Status of business risk exposures, its management and related action plans;
- Making of loans and investment of surplus funds;
- Borrowing of monies, giving guarantees or providing security in respect of loans;
- Buyback of securities by the Company;
- Diversify the business of the Company;
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments;
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996;
- Brief on information disseminated to the press.

The Company Secretary, in consultation with the Chairman and Managing Director of the Company, prepares the agenda for Board meetings.

E. Selection of New Directors

Pursuant to the provisions of Companies Act, 2013, the Board is primarily responsible for the selection of new directors. The Nomination & Remuneration Committee, which consists of Independent Directors, is empowered for the selection of new directors. The Nomination and Remuneration Committee makes recommendations to the Board on the induction of any new directors.

The Nomination & Remuneration Committee has set up the criteria for selection of new directors, such as the skill sets required at the Board level, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee, for appointment, as Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

F. Training of Board Members:

All the new directors inducted to the Board are introduced to our Company culture through appropriate orientation sessions. Presentations are made by various executive directors to provide an overview of our operations, and to familiarize the new directors with our operations. They are also introduced to our organization structure, our subsidiaries, constitution, board procedures, matters reserved for the Board, and our major risks and risk management strategy.

G. Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Chairman and Managing Director had one to one discussions with newly appointed Directors to familiarize them with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory and regulatory changes are circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

H. Meetings of Independent Directors

The Company's Independent Directors shall meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to (i) review the performance of Non Independent Directors and the Board as a whole, (ii) review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors; and (iii) to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

One meeting of the Independent Directors was held during the financial year on 6th February, 2015.

I. Mechanism for evaluating Board members

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has been empowered for laying down the evaluation criteria for performance evaluation of the Independent Directors and the Board. The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the

required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth. The Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities with the Company.

II. BOARD COMMITTEES

The Board currently has five committees namely:

- A) Audit Committee
- B) Nomination & Remuneration Committee
- C) Stakeholders Relationship Committee
- D) Corporate Social Responsibility (CSR) Committee
- E) Risk Management Committee

A. AUDIT COMMITTEE

1. The Audit Committee's constitution meets with the requirements of the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013. Presently, the Audit Committee comprises of 4 Directors, 3 of which are Independent Directors and 1 Non-Executive and Non-Independent Director of the Company.

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Audit Committee. The Audit Committee of the Company comprises of following directors:

Name of Members	Category
Mr. Sitendu K. Sharma - Chairman	Independent Director
Prof. (Dr.) Suhas M. Rane - Member	Independent Director
Mr. Vikas G. Gadre - Member	Independent Director
Mr. Laxmikant R. Kabra - Member	Non-Executive and Non-Independent Director

The Company Secretary of the Company acts as Secretary of the Committee.

2. The terms of reference of the Audit Committee are broadly as under:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management the statement of uses / application of fund raised through an issue (public issue, rights issue, preferential issue, etc.), the statements of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans & investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors on any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- To approve appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Any other matter that may be referred by the Board from time to time.

All the items listed in Clause 49 of the Listing Agreement are covered in the terms of reference of the Audit Committee. The Audit Committee has been granted powers as prescribed under Clause 49 of the Listing Agreement.

3. **Audit Committee Meetings held during the year and attendance:**

Four Audit Committee Meetings were held during the year 2014-15 and the dates on which Audit Committee Meetings were held are as follows:

10 th May, 2014	9 th August, 2014
13 th November, 2014	2 nd February, 2015

Minutes of the Audit Committee Meeting are circulated to the members of the Board, discussed and taken note of.

Name of Members	Category	No. of meeting attended during 2014-15
^ Mr. Amit A. Pandit – Chairman	Independent Director	4
Prof. (Dr.) Suhas M. Rane – Member	Independent Director	3
Mr. Pravin S. Herlekar – Member	Chairman and Managing Director	4

^ Resigned from the Board of the Company w.e.f. 26th March, 2015.

4. **Audit Committee Procedure**

The internal auditor submits their observations and recommendations to the Committee on issues having an impact on internal control system. The Committee reviews various aspects of internal controls, internal audit report and risk management process on regular basis. The requirements enumerated under Clause 49 of the Listing Agreement and as amended from time to time are also reviewed by the Committee.

Erstwhile Chairman of Audit Committee, Mr. Amit A. Pandit, was present at the Annual General Meeting held on 9th August, 2014. The Chairman of Audit Committee briefs the Board members about the significant discussions at the Audit Committee Meetings.

B. **NOMINATION & REMUNERATION COMMITTEE**

1. The Nomination & Remuneration Committee's constitution meets with the requirements of the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013. Presently, the Nomination & Remuneration Committee comprises of 5 Independent Directors of the Company.

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Nomination & Remuneration Committee. The Nomination & Remuneration Committee of the Company comprises of following directors:

Name of Members	Category
Mr. Subhash N. Ghalke - Chairman	Independent Director
Prof. (Dr.) Suhas M. Rane - Member	Independent Director
Mr. Subhash P. Mali – Member	Independent Director
Dr. Vikas N. Telvekar – Member	Independent Director
Mr. Vikas G. Gadre – Member	Independent Director

2. **The terms of reference of the Nomination & Remuneration Committee are broadly as under:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- The Nomination & Remuneration Committee shall, while formulating the policy ensure that,
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- Devising a policy on Board diversity;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- Payment of commission and sitting fees to Non-Executive Directors.
- Taking an overview of human resources & industrial relations policies of the Company.
- Any other matter that may be referred by the Board from time to time.

3. **Nomination & Remuneration Committee Meetings held during the year and attendance:**

Four Nomination & Remuneration Committee Meetings were held during the year 2014-15 and the dates on which Nomination & Remuneration Committee Meetings were held are as follows:

10 th May, 2014	9 th August, 2014
2 nd February, 2015	26 th March, 2015

Minutes of the Nomination & Remuneration Committee Meeting are circulated to the members of the Board, discussed and taken note of.

Name of Members	Category	No. of meeting attended during 2014-15
Prof. (Dr.) Suhas M. Rane – Chairman	Independent Director	3
Mr. Subhash P. Mali – Member	Independent Director	4
Dr. Vikas N. Telvekar – Member	Independent Director	4

4. **Remuneration Policy and Details of remuneration of Directors:**

A. **Executive Directors' Compensation**

The appointment and remuneration of Chairman and Managing Director, Whole Time Director and Executive Directors is governed by the recommendations of the Nomination & Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman and Managing Director, Whole Time Director and Executive Directors comprises of salary, perquisites, allowances and contributions to Provident and other Retirement Benefit Funds as approved by the shareholder at the General Meetings. Annual increments are linked to performance and are decided by the Nomination & Remuneration Committee and recommended to the Board for the approval thereof.

The Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

The aggregate value of salary and perquisites including commission paid for the year ended 31st March, 2015 to the Chairman & Managing Director and the Whole Time Director are as follows:

Name of the Director	Salary (Rs.)	Perquisites & allowance (Rs.)	Commission (Rs.)	Total Remuneration (Rs.)
Mr. Pravin S. Herlekar	60,00,000	---	48,00,000	1,08,00,000
Mr. Omkar P. Herlekar	18,00,000	---	59,00,000	77,00,000

B. **Non – Executive Directors' Compensation:**

- i) Non-Executive, Promoter and Woman Director of the Company is not drawing any sitting fees for the meeting of Board of Directors and/or Committee meeting attended by her.
- ii) Non-Executive Directors including Independent Directors of the Company are entitled only to sitting fees for the meeting of Board of Directors and/or Committee meeting attended by them and Commission pursuant to the provisions of Section 197 of the Companies Act, 2013. No other payment is being made to them.

The Company was paying the sitting fees amounting to Rs. 7,500/- per meeting to Non – Executive Directors for attending meetings of the Board and/or its Committee.

Pursuant to the provisions of Section 197, and other relevant sections of the Companies Act, 2013 read with the Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the approval of the Board was accorded for the revision in amount of sitting fees payable to the Non-Executive Directors for attending the Board and Committee meetings of the Company, as mentioned herein below, with effect from 1st August, 2014:

Type of Meeting	Sitting Fees payable per director (Rs.)
Committee Meeting	10,000/-
Board Meeting	12,500/-

The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meeting.

- iii) Mr. Siddharth S. Sinkar, Non-Executive and Non-Independent Director of the Company, is a practicing Chartered Accountant and was rendering professional services to the Company. He was not drawing any sitting fees for the meeting of Board of Directors and/or Committee meeting attended by him.
- iv) Mr. Laxmikant R. Kabra, Non-Executive and Non-Independent Director of the Company, is a practicing Chartered Accountant and rendering professional services to the Company.

Details of Equity Shares held as on the date of this report and Sitting Fees, Commission & professional fees paid to the Non-Executive Directors during the year ended on 31st March, 2015 are as follows:

Sr. No.	Name of Director	Equity Shares Held	Sitting Fees* (Rs.)	Commission* (Rs.)	Professional Fees# (Rs.)
1	Mrs. Anjali P. Herlekar	12,08,240	NIL	NIL	NIL
2	Mr. Amit A. Pandit ^	NIL	1,75,000	NIL	NIL
3	Prof. (Dr.) Suhas M. Rane	NIL	1,80,000	NIL	NIL
4	Mr. Subhash P. Mali	NIL	1,17,500	NIL	NIL
5	Dr. Vikas N. Telvekar	NIL	1,17,500	NIL	NIL
6	Mr. Siddharth S. Sinkar ^	NIL	NIL	NIL	16,85,400
7	Mr. Laxmikant R. Kabra &	35,500	NIL	NIL	NIL
8	Mr. Sitendu K. Sharma @	NIL	N.A.	N.A.	N.A.
9	Mr. Vikas G. Gadre \$	NIL	N.A.	N.A.	N.A.
10	Mr. Subhash N. Ghalke \$	NIL	N.A.	N.A.	N.A.
11	Mrs. Sanjivani S. Patare \$	NIL	N.A.	N.A.	N.A.

* All Inclusive of taxes except service tax.

Inclusive of taxes.

^ Resigned from the Board of the Company w.e.f. 26th March, 2015.

& Appointed on the Board of the Company w.e.f. 26th March, 2015.

@ Appointed on the Board of the Company w.e.f. 8th May, 2015.

\$ Appointed on the Board of the Company w.e.f. 17th July, 2015.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

1. The Stakeholders Relationship Committee's constitution meets with the requirements of the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013. Presently, the Stakeholders Relationship Committee comprises of 4 Directors including 3 Independent Directors of the Company.

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Stakeholders Relationship Committee. The Stakeholders Relationship Committee of the Company comprises of following directors:

Name of Members	Category
Mrs. Sanjivani S. Patare – Chairperson	Independent Director
Prof. (Dr.) Suhas M. Rane – Member	Independent Director
Mr. Sitendu K. Sharma – Member	Independent Director
Mr. Omkar P. Herlekar – Member	Whole Time Director

2. The terms of reference of the Stakeholders Relationship Committee are broadly as under:

- Redressal of Shareholder's, Debenture holders or other securities holder's complaints expeditiously.
- Approval of allotment, transfer & transmission of shares/ debentures or any other securities and issue of duplicate certificates and new certificates on split/ consolidation/ renewal/ etc. as may be referred to it by the Stakeholders Relationship Committee.
- The Committee also reviews the performance of Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent and also recommends measures for overall improvement for better investor services.
- The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, pursuant to the requirements of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulation, 2015. Mr. Hiral Patel, Chief Financial Officer has been appointed as the Chief Investor Relation Officer for implementation of the said code of conduct and overseeing compliance with the regulations pertaining thereto.
- The Company has adopted the Code of Internal Procedures and Conduct for prevention of Insider Trading, pursuant to the requirements of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulation, 2015. Mr. Nirav Momaya, Company Secretary has been appointed as the Compliance Officer for implementation of the said code and overseeing compliance with the regulations and the code across the Company.

3. Stakeholders Relationship Committee Meetings held during the year and attendance:

Five Stakeholders Relationship Committee Meetings were held during the year 2014-15 and the dates on which Stakeholders Relationship Committee Meetings were held are as follows:

10 th May, 2014	9 th August, 2014	30 th August, 2014
13 th November, 2014	2 nd February, 2015	--

Minutes of the Stakeholders Relationship Committee Meeting are circulated to the members of the Board, discussed and taken note of.

Name of Members	Category	No. of meeting attended during 2014-15
Prof. (Dr.) Suhas M. Rane – Chairman	Independent Director	4
^ Mr. Amit A. Pandit – Member	Independent Director	5
Mr. Omkar P. Herlekar – Member	Whole Time Director	5

^ Resigned from the Board of the Company w.e.f. 26th March, 2015.

Name, designation and address of the Chief Investor Relation Officer (CIRO):

Mr. Hiral Patel
 Chief Financial Officer
 B-34, MIDC, Badlapur (East), Thane – 421 503
 Tel.No.91-251-2690651
 Fax No.: 91-251-2697347
 Email: CFO@omkarchemicals.com

Name, designation and address of the Compliance Officer:

Mr. Nirav Momaya
 Company Secretary
 B-34, MIDC, Badlapur (East), Thane – 421 503
 Tel.No.91-251-2690651
 Fax No.: 91-251-2697347
 Email: cs@omkarchemicals.com

Shareholders may also correspond with the Company on the email address: investor@omkarchemicals.com

During the Financial Year 2014-15, M/s Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company has received one investor compliant regarding non-receipt of Annual Report and the same was resolved.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

1. The Corporate Social Responsibility Committee's constitution meets with the requirements of the provisions Section 135 of the Companies Act, 2013. Presently, the Corporate Social Responsibility Committee comprises of 6 Directors including 2 Independent Directors of the Company.

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee of the Company comprises of following directors:

Name of Members	Category
Mr. Vikas G. Gadre – Chairman	Independent Director
Prof. (Dr.) Suhas M. Rane - Member	Independent Director
Mr. Pravin S. Herlekar – Member	Chairman & Managing Director
Mrs. Anjali P. Herlekar – Member	Non-Executive, Promoter & Woman Director
Mr. Laxmikant R. Kabra – Member	Non-Executive and Non-Independent Director
Mr. Prakash H. Rao – Member	Executive Director

As per Section 135 of the Companies Act, 2013, the Company was required to spend Rs. 48.61 Lacs for the Financial Year 2014-15.

The Company has formulated CSR Policy, which is uploaded on the website of the Company (Weblink: http://www.omkarchemicals.com/Policies/CSR-Policy_OSCL.pdf).

2. Terms of reference of CSR Committee are as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of the framework of the CSR Policy;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

3. Corporate Social Responsibility Committee Meetings held during the year and attendance:

One Corporate Social Responsibility Committee Meeting was held during the year 2014-15 on 9th August, 2014.

Name of Members	Category	No. of meeting attended during 2014-15
Prof. (Dr.) Suhas M. Rane – Chairman	Independent Director	1
Mrs. Anjali P. Herlekar – Member	Non-Executive, Promoter & Woman Director	1
^ Mr. Siddharth S. Sinkar – Member	Non-Executive & Non-Independent Director	1

^ Resigned from the Board of the Company w.e.f. 26th March, 2015.

E. RISK MANAGEMENT COMMITTEE:

1. Pursuant to Clause 49 of the Listing Agreement, the Board in its meeting held on 18th May, 2015 constituted a Risk Management Committee. Presently, the Risk Management Committee comprises of 4 Directors including 2 Independent Directors of the Company.

The Board, in its meeting held on 17th July, 2015, has reconstituted the composition of the Risk Management Committee. The Risk Management Committee of the Company comprises of following directors:

Name of Members	Category
Mr. Subhash P. Mali – Chairman	Independent Director
Mr. Sitendu K. Sharma – Member	Independent Director
Mr. Omkar P. Herlekar – Member	Whole Time Director
Mr. Rishikesh P. Herlekar – Member	Executive Director

2. Terms of reference of Risk Management Committee are as follows:

- Framing the Risk Management Plan and Policy;
- Overseeing implementation of Risk Management Plan and Policy;
- Monitoring Risk Management Plan and Policy;
- Validating the process of risk management;
- Validating the procedure for risk minimization;
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management process;
- Continually obtaining assurance from the management that all known and emerging risks have been identified and mitigated or managed;
- Performing such other functions as may be necessary or appropriate for the performance of its oversight functions.

INDEPENDENT DIRECTOR'S MEETING:

Pursuant to the provisions of the Section 149(8) of the Companies Act, 2013, Independent Directors on the Board shall abide by the provisions specified in SCHEDULE IV of the Companies Act, 2013 which defines CODE FOR INDEPENDENT DIRECTORS. The Code is a guide to professional conduct for Independent Directors. Pursuant to Clause VII of Schedule IV of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 6th February, 2015, without the attendance of Non-Independent Directors and members of the management inter-alia, to discuss:

- (i) Review the performance of Non-Independent Directors and the Board as a whole;
- (ii) Review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors; and
- (iii) To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

All the Independent Directors were present for this meeting.

III. SUBSIDIARY COMPANIES

Based on the Audited Consolidated Financial Results of the Company for the Financial Year ended on 31st March, 2015, M/s Lasa Laboratory Private Limited, wholly owned subsidiary of the Company has become the material non-listed Indian subsidiary company.

The Company has formulated the Policy for dealing with the Material Non-Listed Subsidiary Company and uploaded the same on the website of the Company (Weblink: <http://www.omkarchemicals.com/Policies/RPT%20&%20Subsidiary%20Policy.pdf>)

According to the Policy on Material Non-Listed Subsidiary Company:

- (i) The Company has appointed Mr. Sitendu K. Sharma an Independent Director on the Board of M/s Lasa Laboratory Private Limited w.e.f. 1st August, 2015.
- (ii) The Company shall not dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting.
- (iii) Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary shall require prior approval of shareholders by way of special resolution.

The financial statements including investments made by the unlisted subsidiaries were placed before and reviewed by the Audit Committee of the Company. The Board of Directors of the Company reviewed periodically, the statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

IV. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years:

Financial Year	Location	Date	Day	Time
2011-12	Sanjivani, Near Monginis cake shop, Badlapur (East) – 421503, Thane	4 th August, 2012	Saturday	10.30 a.m.
2012-13	Sanjivani, Near Monginis cake shop, Badlapur (East) – 421503, Thane	13 th August 2013	Tuesday	10.30 a.m.
2013-14	Sanjivani, Near Monginis cake shop, Badlapur (East) – 421503, Thane	9 th August, 2014	Saturday	10.30 a.m.

Details of Special Resolutions passed at the previous three Annual General Meetings:

Date of AGM	Details of Special Resolution passed
4 th August, 2012	<ol style="list-style-type: none"> 1. A special resolution was passed at the 7th Annual General Meeting for utilization of available funds generated through Initial Public Offering (IPO) for growth and expansion of the Company including various suitable acquisition(s) if any, in addition to the purposes defined in the RHP. 2. A special resolution was passed at the 7th Annual General Meeting for revision in terms and conditions of remuneration payable to Mr. Pravin S. Herlekar, Chairman and Managing Director of the Company with effect from 1st April, 2012 for the remainder of his tenure upto 31st March, 2015 as set out in the agreement dated 26th June, 2012 between the Company and the Chairman and Managing Director of the Company. 3. A special resolution was passed at the 7th Annual General Meeting for revision in terms and conditions of remuneration payable to Mr. Omkar P. Herlekar, Whole Time Director of the Company with effect from 1st April, 2012 for the remainder of his tenure upto 31st March, 2015 as set out in the agreement dated 26th June, 2012 between the Company and the Whole Time Director of the Company.

13 th August, 2013	N.A.
9 th August, 2014	1. A special resolution was passed at the 9 th Annual General Meeting for adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.

Details of Resolutions passed at the Extra-Ordinary General Meetings held during the last 3 years are given as follows:

Date of EGM	Details of Special Resolution passed
14 th February, 2013	Following Resolutions were passed in the said Extra-Ordinary General Meeting of the Company: Special Resolution 1. Alteration in the Articles of Association by inserting Article No. 84, 85, 86 and 87 after existing Article No. 83. 2. Issue of Warrants convertible into Equity Shares of the Company on Preferential basis under Section 81(1A) of the Companies Act, 1956.

Postal Ballot Resolution:

During the Financial year 2014-15, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company has passed the following special resolutions by postal ballot process:

1. **Postal Ballot I (3rd August, 2014 to 3rd September, 2014):**

The Company as per the Postal Ballot Notice dated 20th June, 2014, passed the following special resolutions:

- Resolution under Section 180(1)(c) of the Companies Act, 2013, for increasing the borrowings limits of the Company from Rs. 250 cr. to Rs. 500 cr.;
- Resolution under Section 180(1)(a) of the Companies Act, 2013, for authorising Board of Directors for creating charge/ mortgage on the movable/immovable properties of the Company for securing the aforesaid borrowings;
- Resolution under Section 186 of the Companies Act, 2013 and Rule No. 11 of the Companies (Meetings of Board and its Powers) Rules, 2014, for investing in any body corporate(s) by way of subscription and/or purchase of securities and/or debenture, grant of loan, guarantee and/or providing of security upto the limit of Rs. 500 cr.

The Company has appointed Mr. Nilesh A. Pradhan, of M/s Nilesh A. Pradhan & Co., Practicing Company Secretary as Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

The voting on the aforesaid Postal Ballot was offered in both physical mode and electronic mode commenced on 3rd August, 2014 at (9:00 AM) and closed on 3rd September, 2014 at (6:00 PM).

The results of Postal Ballot were announced on 6th September, 2014 at the Registered Office of the Company. The details of results of Postal Ballot are as under:

RESOLUTION NO. 1: RESOLUTION UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013, FOR INCREASING THE BORROWINGS LIMITS OF THE COMPANY FROM RS. 250 CR. TO RS. 500 CR.

Particulars	No. of Postal Ballot Forms / E-voting	No. of Votes/ Shares	% of Total Votes / Shares
Total Valid Votes Cast	138	12870563	100.00
Votes Cast in favour of Resolution	135	12870463	99.99
Votes Cast against the Resolution	3	100	0.01

RESOLUTION NO. 2: RESOLUTION UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013, FOR AUTHORISING BOARD OF DIRECTORS FOR CREATING CHARGE/MORTGAGE ON THE MOVABLE/IMMOVABLE PROPERTIES OF THE COMPANY FOR SECURING THE AFORESAID BORROWINGS

Particulars	No. of Postal Ballot Forms / E-voting	No. of Votes/ Shares	% of Total Votes / Shares
Total Valid Votes Cast	138	12870462	100.00
Votes Cast in favour of Resolution	*134	12870362	99.99
Votes Cast against the Resolution	3	100	0.01

*One person has not voted on the Resolution No. 2

RESOLUTION NO. 3: RESOLUTION UNDER SECTION 186 OF THE COMPANIES ACT, 2013 AND RULE NO. 11 OF THE COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014, FOR INVESTING IN ANY BODY CORPORATE(S) BY WAY OF SUBSCRIPTION AND/OR PURCHASE OF SECURITIES AND/OR DEBENTURE, GRANT OF LOAN, GUARANTEE AND/OR PROVIDING OF SECURITY UPTO THE LIMIT OF RS. 500 CR.

Particulars	No. of Postal Ballot Forms / E-voting	No. of Votes/ Shares	% of Total Votes / Shares
Total Valid Votes Cast	138	12870404	100.00
Votes Cast in favour of Resolution	132	12869971	99.99
Votes Cast against the Resolution	6	433	0.01

2. Postal Ballot II (20th November, 2014 to 20th December, 2014):

The Company as per the Postal Ballot Notice dated 13th November, 2014, passed the following special resolutions:

- Increase in the Authorised Capital of the Company from Rs. 25 cr. to Rs. 35 cr. and consequent alteration of MOA;
- To authorize Directors to raise funds amounting to Rs. 125 cr. by issue of shares through QIP.

The Company has appointed Mr. Nilesh A. Pradhan, of M/s Nilesh A. Pradhan & Co. Practicing Company Secretary as Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

The voting on the aforesaid Postal Ballot was offered in both physical mode and electronic mode commenced on 20th November, 2014 at (9:00 AM) and closed on 20th December, 2014 at (6:00 PM).

The results of Postal Ballot were announced on 24th December, 2014 at the Registered Office of the Company. The details of results of Postal Ballot are as under:

RESOLUTION NO. 1: INCREASE IN THE AUTHORISED CAPITAL OF THE COMPANY FROM RS. 25 CR. TO RS. 35 CR. AND CONSEQUENT ALTERATION OF MOA

Particulars	No. of Postal Ballot Forms / E-voting	No. of Votes/ Shares	% of Total Votes / Shares
Total Valid Votes Cast	184	16764547	100%
Votes Cast in favour of Resolution	184	16764547	100%
Votes Cast against the Resolution	Nil	Nil	0%

RESOLUTION NO. 2: TO AUTHORIZE DIRECTORS TO RAISE FUNDS AMOUNTING TO RS. 125 CR. BY ISSUE OF SHARES THROUGH QIP

Particulars	No. of Postal Ballot Forms / E-voting	No. of Votes/ Shares	% of Total Votes / Shares
Total Valid Votes Cast	185	16764552	100%
Votes Cast in favour of Resolution	180	16764180	99.99%
Votes Cast against the Resolution	5	372	0.01%

V. DISCLOSURES**i) Related Party Transaction**

The Board has received Disclosures from the Directors relating to material, financial and commercial transactions where they and / or their relatives have personal interest. None of the transactions with any of the related parties were in conflict with the Company's interest. Company's major related party transactions are generally with its subsidiaries. All the transactions entered into with the related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2014-15. A statement containing transactions with the related parties in the ordinary course of business and at arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval. The related party transactions are entered into based on the considerations of various business exigencies, such as synergy in operations, sectoral specialization, optimization of market share, profitability, liquidity and capital resources of subsidiaries. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as at 31st March, 2015. As required under Clause 49 of the Listing Agreement, the Company has formulated a policy for dealing with the Related Party Transactions and the same is available on the website of the Company (Weblink: <http://www.omkarchemicals.com/Policies/RPT%20&%20Subsidiary%20Policy.pdf>)

ii) Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to Capital Market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange(s), SEBI or other statutory authorities relating to the above.

iii) Code of Conduct

To promote ethical conduct and maintain high standards in carrying out business transactions of the Company, a Code of Conduct has been laid down for procedures to be followed by Board members and the senior management employees. This Code of conduct is also posted on the Company's website (Weblink: http://www.omkarchemicals.com/code_conduct.html). All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for financial year ended 31st March, 2015.

iv) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed all the applicable Accounting Standards laid down by the Institute of Chartered Accountants of India.

v) Disclosures on Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. These procedures have been periodically reviewed to ensure that the executive management controls the risk through properly defined framework. Pursuant to Clause 49 of the Listing Agreement, the Board in its meeting held on 18th May, 2015, constituted a Risk Management Committee of the Directors.

vi) CEO/CFO Certification

The Chairman & Managing Director and Chief Financial Officer of the Company has certified to the Board in accordance with Clause 49 of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2015.

vii) Management Discussion and Analysis Report

The Management Discussion & Analysis Report forms a part of the Annual Report. All matters pertaining to industry structure and development, opportunity and threats, risks and concerns, internal control and systems etc. are discussed in the said report.

viii) Shareholders

- a) The information as required under Clause 49 of the Listing Agreement, relating to the Directors proposed to be appointed / re-appointed, is furnished as a part of the Notice convening the Annual General Meeting.
- b) The mandatory as well as various additional information of interest to the shareholders is furnished in other sections of the Annual Report.

ix) Whistle Blower Policy

Pursuant to the Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and Employees to report the management about the unethical behavior, fraud, improper practice or violation of the company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The mechanism provides adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases.

viii) Non- Mandatory Requirements

The Company has fulfilled the following non-mandatory requirements as prescribed in to Clause 49 of the Listing Agreement with the Stock Exchanges:

- The Financial Statements are unqualified.
- The Internal Auditor is reporting to the Audit Committee.

V. MEANS OF COMMUNICATION:

The Company's corporate website www.omkarchemicals.com provides comprehensive information about its portfolio of businesses. The section on "Investors" serves to inform and service the shareholders allowing them to assess information at their convenience. The entire report and accounts are available in downloadable formats.

The Financial Results are published in prominent daily newspapers. The Quarterly results were published in The Business Standard (All Editions) and Mumbai Lakshdeep.

Official news releases, presentations etc. made to Institutional Investors are displayed on the "Media" section of Company's website www.omkarchemicals.com

VI. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24110MH2005PLC151589.

Annual General Meeting

Day, Date and Time : Saturday, 26th September, 2015 at 11:00 AM
Venue : Sanjeevani Hall, near Monginis cake shop, Badlapur (E), Thane – 421503.

Financial Year

The Company follows April – March as its financial year. The results for every quarter are published within 45 days except for the quarter January – March, for which the audited results are published in the month of May as permitted under Clause 41 of the Listing Agreement.

Listing of Equity Shares on the Stock Exchanges

Stock Exchanges	Stock Code(s)/ symbols	ISIN
BSE Limited P.J. Towers, 1 st Floor, Dalal Street, Mumbai – 400001	OMKARCHEM, (533317)	INE474L01016
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	OMKARCHEM	INE474L01016

Listing fees to stock exchanges

The Company has paid the listing fees for the year 2014-2015 to the above Stock Exchanges.

Custodial fees to Depositories

The Company has paid custodial fees for the year 2014-2015 to National Securities Depository Limited and Central Depository Services (India) Limited.

Book closure & Dividend

- a) The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2015 to 26th September, 2015 (both days inclusive).
- b) If the final dividend, as recommended by the Board of Directors is approved at the Annual General Meeting, the payment of such dividend will be made on or before Saturday, 24th October, 2015 as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on Friday, 18th September 2015;
 - (ii) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of the transfer request lodged with the Company on or before the close of business hours on Friday, 18th September, 2015.

Bank details for dividend payment

- ❖ The Securities and Exchange Board of India (SEBI), vide its circular dated 21st March, 2013, has mandated that all the cash payments to the investors, Companies whose securities are listed on the Stock Exchanges shall use any Reserve Bank of India (RBI) approved electronic mode of payment such as ECS (Local ECS / Regional ECS / National ECS), NEFT etc. for credit of dividend directly to the bank account of Members. Members holding share in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact No. etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Shares Transfer Agents, Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
- ❖ Pursuant to Section 205A, 205C and other applicable provisions, if any, of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), all unclaimed / unpaid dividend, application money remaining unclaimed / unpaid for a period 7 (Seven) years from the date they became due for the payment, in relation to the Company, is required to be transferred to the "Investor Education and Protection Fund" set up by the Central Government. Members, who have not yet encashed their Dividend Warrants for

the financial year ended 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 may approach the Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company / the Company for completion of necessary formalities to claim the dividend.

- ❖ The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are requested to submit their PAN details and email ID to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details and email ID to the Company or Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company.

Nomination Facility

Shareholders, holding shares in physical form and desirous of submitting/ changing nomination in respect of their shareholding in the Company may submit Form SH-13 (in duplicate) as per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 to the Company's Registrar and Share Transfer Agent.

Reconciliation of Share Capital

A qualified Company Secretary in practice has carried out a Share Capital audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total Issued/Paid-Up Capital is in agreement with the total number of shares in physical form and the total number of Dematerialized Shares held with NSDL and CDSL.

Code for Prevention of Insider Trading:

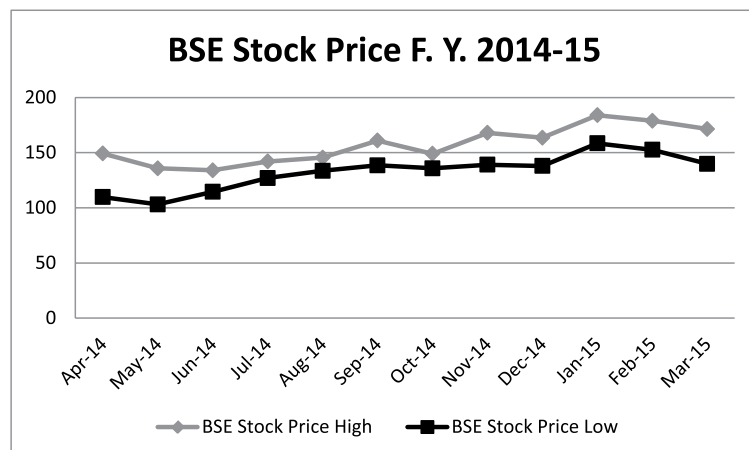
The Company has adopted the Code of Internal Procedures and Conduct for prevention of Insider Trading, pursuant to the requirements of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulation, 2015. The objective of the code is to restrict an insider from dealing in the shares of the Company either directly or indirectly when in possession of unpublished price sensitive information. The code is applicable to the directors and designated employees/persons associated with the company. The code enumerates the procedure to be followed for dealing in the shares of the Company and periodic disclosures to be made. It also restricts the insiders from dealing in the Company's shares during the period when the trading window is announced closed.

Mr. Nirav Momaya, Company Secretary, has been designated as the Compliance officer.

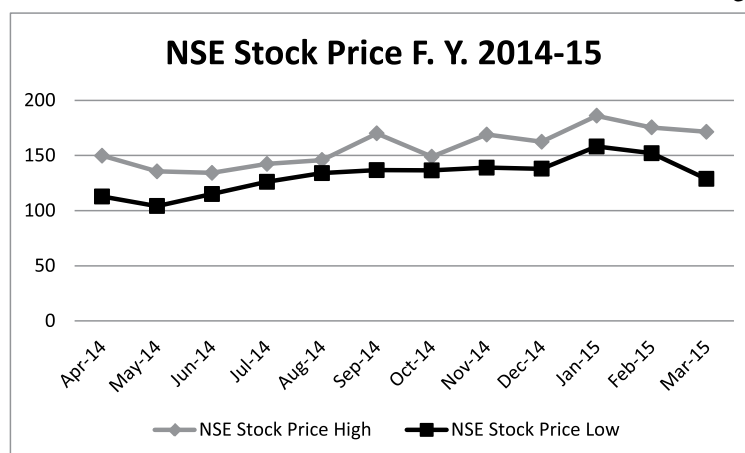
Stock Price Data (Monthly High/Low prices for the year 2014-2015)

Month	Bombay Stock Exchange Ltd		National Stock Exchange of India Ltd	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2014	149.25	109.70	149.80	112.80
May 2014	135.80	103.10	135.55	104.10
June 2014	134.00	114.50	134.25	115.00
July 2014	142.00	127.00	142.30	126.05
August 2014	145.50	133.50	145.85	134.05
September 2014	161.00	138.50	170.00	136.65
October 2014	148.95	135.80	148.90	136.50
November 2014	168.00	139.10	169.00	139.00
December 2014	163.50	138.00	162.40	138.00
January 2015	184.00	158.50	186.00	158.10
February 2015	178.85	152.60	175.35	152.05
March 2015	171.40	139.90	171.40	128.70

Stock Price Data: Bombay Stock Exchange

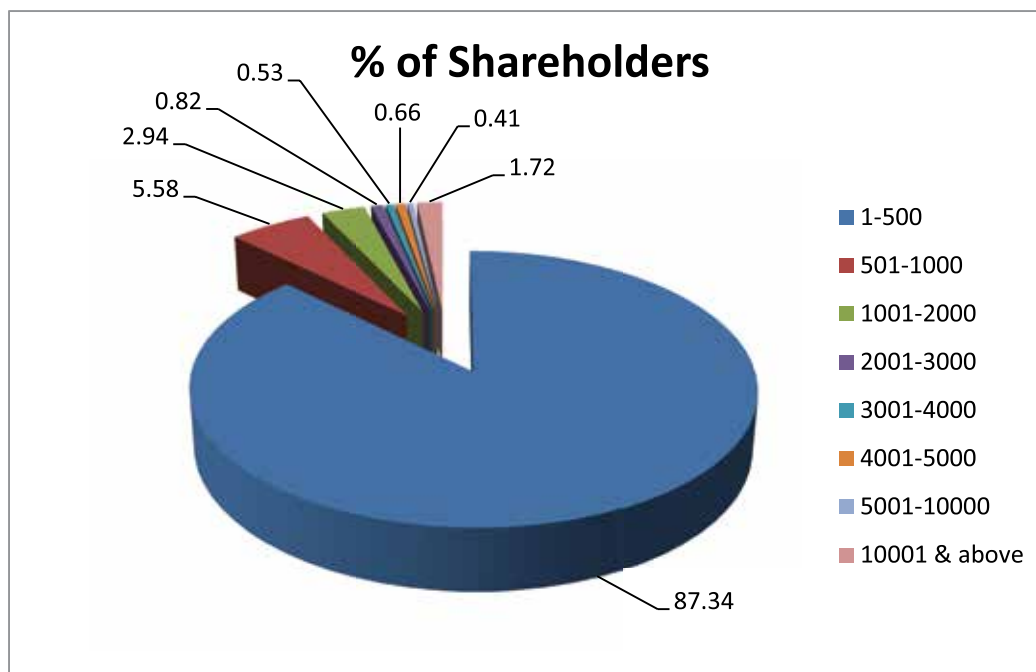


Stock Price Data: National Stock Exchange



Distribution of Shareholding as on 31st March, 2015:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 to 500	3600	87.34	4,16,125	2.02
501 to 1000	230	5.58	1,86,062	0.91
1001 to 2000	121	2.94	1,81,828	0.88
2001 to 3000	34	0.82	85,663	0.42
3001 to 4000	22	0.53	76,875	0.37
4001 to 5000	27	0.66	1,26,851	0.62
5001 to 10000	17	0.41	1,24,309	0.60
10001 and above	71	1.72	1,93,80,291	94.18
TOTAL	4122	100.00	2,05,78,004	100.00

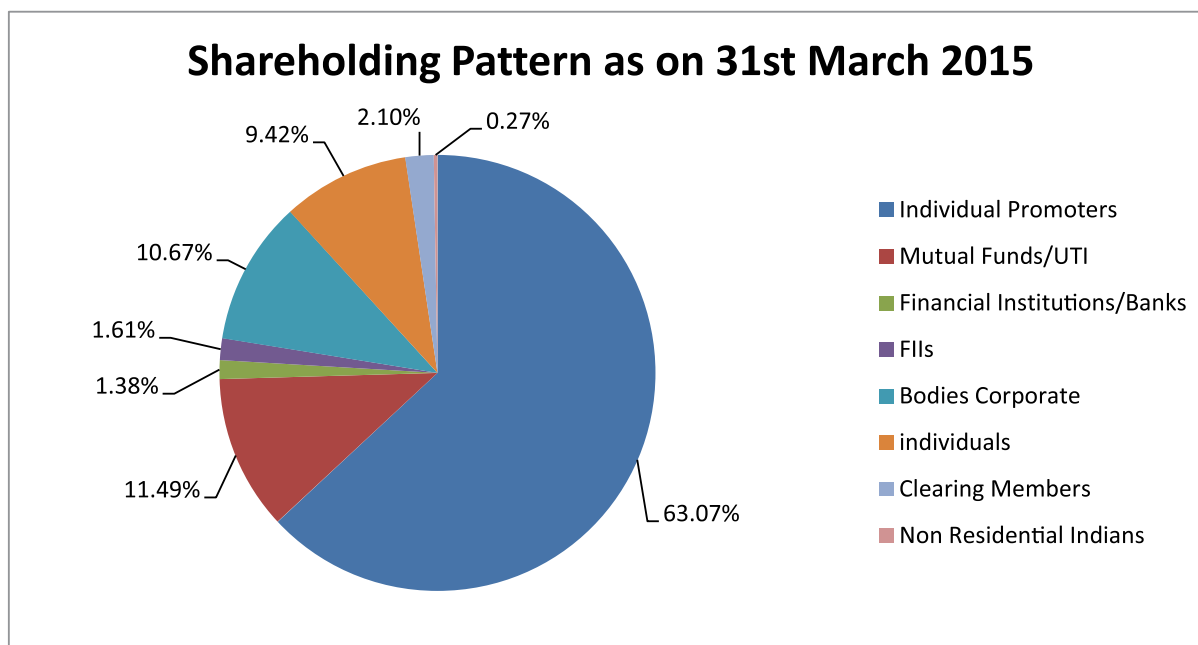


Shareholding Pattern of the Company

Category	As on 31 st March, 2015		As on 31 st March, 2014	
	No. of Shares	% of Share Holding	No. of Shares	% of Share Holding
PROMOTERS HOLDING (including Promoter Group)				
1. Indian Promoters				
- Individual Promoters	12597644	61.22	12632974	64.36
- Bodies Corporate	380000	1.85	0	0.00
Sub Total (1)	12977644	63.07	12632974	64.36
2. Foreign Promoters	0	0	0	0
Sub Total (2)	0	0	0	0
NON-PROMOTER HOLDING				
3. Institutions Investors				
a. Mutual Funds/UTI	2363755	11.49	888187	4.52
b. Financial Institutions/Bank	284920	1.38	700000	3.57
c. FIIs	331357	1.61	323569	1.65
Sub Total (3)	2980032	14.48	1911756	9.74
4. Non-Institutions Investors				
a. Bodies Corporate	2194979	10.67	2224587	11.33
b. Individuals	1938509	9.41	2648298	13.50
c. Qualified Foreign Investors	0	0	0	0
d. Any other(s)				

- Clearing Members	431185	2.10	180121	0.92
- Non Residential Indians	55655	0.27	30268	0.15
Sub Total (4)	4620328	22.45	5083274	25.9
Grand Total (1+2+3+4)	20578004	100.00	19628004	100.00

- (a) Mr. Pravin S. Herlekar, Chairman & Managing Director (Promoter) of the Company has acquired 1,95,603 shares out of which 1,10,603 shares are not reflected in his name in the beneficial position received from the depositories as on date.
- (b) Mr. Pravin S. Herlekar, Chairman & Managing Director (Promoter) of the Company has created encumbrance on 7,22,300 shares, which are not reflected in the beneficial position received from the depositories as on date.
- (c) After considering the aforesaid transactions, the total no. of shares held by Mr. Pravin S. Herlekar are 1,05,48,874 consisting of 51.26%.



Shareholders holding more than 1% of the total No. of Shares (Public) (as at 31st March, 2015)

Sr. No.	Category	Folio No/ Client ID	Shareholder's Name	Shares	% of holding
1.	Mutual Fund	IN30378610001120	SBI Magnum Midcap Fund	1463755	7.11
2.	Corporate Bodies	IN30365510000974	Moneywise Financial Services Private Limited	751349	3.65
3.	Mutual Fund	IN30005410067359	Birla Sunlife Trustee Company Private Limited	590000	2.87
4.	Clearing Member	1207660000000751	4A Securities Limited	392000	1.90
5.	Foreign Institutional Investor	IN30317320000220	Premier Investment Fund Ltd.	305657	1.49
6.	Non-Nationalized Bank	IN30048410820757	Axis Bank Limited	284000	1.38
7.	Corporate Bodies	IN30096610496350	Globe Fincap Limited	269500	1.31
Total				4056261	19.71

Shareholding of Directors in the Company as on the date of report in their personal capacity and either as sole or first or joint holder:

Name of the Director	No. of Equity Shares Held
Mr. Pravin S. Herlekar (Promoter, Chairman & Managing Director)	97,15,971
Mr. Omkar P. Herlekar (Promoter, Whole Time Director)	8,84,483
Mrs. Anjali P. Herlekar (Promoter Group and Woman Director)	12,08,240
Mr. Rishikesh P. Herlekar (Promoter Group and Executive Director)	7,66,510
Other Relatives of Mr. Pravin S. Herlekar (Promoter Group)	
Mr. Shivdas R. Herlekar	22,440
M/s Svaks Biotech India Private Limited	3,80,000
Prof. (Dr.) Suhas M. Rane	NIL
Relatives of Prof. (Dr.) Suhas M. Rane:	
Mrs. Meena Suhas Rane	3,600
Mr. Ashay Suhas Rane	1,209
Mrs. Indumati Maruti Rane	837
Suhas M. Rane HUF	600
Mr. Subhash P. Mali	NIL
Dr. Vikas N. Telvekar	NIL
Mr. Laxmikant R. Kabra	35,500
Relatives of Mr. Laxmikant Kabra	
Mrs. Lalita L. Kabra	20,000
Lake City Traders Private Limited	21,860
Mr. Sitendu K. Sharma	NIL
Mr. Vikas G. Gadre	NIL
Mr. Subhash N. Ghalke	NIL
Mrs. Sanjivani S. Patare	NIL
Mr. Prakash H. Rao	NIL
Total	1,30,61,250

Plant Locations:

Plant	Activity Undertaken	Address
Unit I	Inorganic Derivatives	W-92(A), W-93(A), W-94(A) & W-95(A), MIDC, Badlapur, Dist Thane - 421503, Maharashtra
Unit II	Organic Intermediates	F-24, MIDC, Badlapur, Dist Thane - 421503, Maharashtra
Unit III	Dedicated facility for Selenium Sulphide	B-34, MIDC, Badlapur, Dist Thane - 421503, Maharashtra
Unit IV	Centralize Warehouse	F-9 & F-10/1, MIDC, Badlapur, Dist Thane - 421503, Maharashtra
Unit V	Organic Intermediates	D-27/4 & D-27/5, MIDC, Lote Parshuram Industrial Area, Chiplun, Dist. Ratnagiri, Maharashtra
Unit VI	Organic Intermediates	B-15 & B-16, Lote Parshuram Industrial Area, Village Awashi, Taluka Khed, Dist. Ratnagiri, Maharashtra

Address for Correspondence

Investors and shareholders can correspond with the Company at the following address:

To Company:	To: Registrar and Share Transfer Agent
Omkar Speciality Chemicals Limited B-34, MIDC, Badlapur (East), Thane - 421503 Tel No. +91-251-2697340/2690651, Fax: +91-251-2697347/2691572 E-mail address: investor@omkarchemicals.com Website: www.omkarchemicals.com	Bigshare Services Pvt. Ltd. E-2&3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri(E), Mumbai - 400072. Tel: +91-22-4043 0200 Fax: +91-22-2847 5207

For and On behalf of the Board of Directors
Omkar Speciality Chemicals Limited

Date: 09/08/2015

Place: Badlapur

Pravin S. Herlekar
 Chairman & Managing Director
 (DIN 00525610)

Omkar P. Herlekar
 Whole Time Director
 (DIN 01587154)

CEO & CFO CERTIFICATE

To
The Board of Directors
Omkar Speciality Chemicals Limited

We, **Pravin S. Herlekar**, Chairman and Managing Director and **Hiral Patel**, Chief Financial Officer of Omkar Speciality Chemicals Limited certify that:

We have reviewed the Financial Statements, read with Cash Flow Statement of Omkar Speciality Chemicals Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief, we state that:

- (a) i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading;
- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or propose to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
 - i) There were no significant changes in internal control over financial reporting during the year;
 - ii) There were no significant changes in accounting policies during the year;
 - iii) There were no instances of any fraud involving management or employees having a significant role in the Company's internal control systems over financial reporting, of which we have become aware;
- (e) We have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct)
- (f) We further declare that all the Members of Board of Directors and Senior Managerial Personnel have affirmed compliance with the Code of Conduct, as applicable to them and as laid down by the Board of Directors in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchange(s), for the year ended 31st March, 2015.

For and On behalf of the Board of Directors
Omkar Speciality Chemicals Limited

Date: 02/06/2015
Place: Badlapur

Pravin S. Herlekar
Chairman & Managing Director
(DIN 00525610)

Hiral Patel
Chief Financial Officer



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE



TO THE MEMBERS OF OMKAR SPECIALITY CHEMICALS LIMITED

We have examined the compliance of conditions of Corporate Governance by **OMKAR SPECIALITY CHEMICALS LIMITED** for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For J.P.J. ASSOCIATES

Chartered Accountants
Firm Registration No.113012W

CA Sandesh Deorukhkar

Partner
M.No.044397

Place: Mumbai
Dated: 09/08/2015



INDEPENDENT AUDITOR'S REPORT



To the Members of Omkar Speciality Chemicals Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of **Omkar Speciality Chemicals Ltd.** (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the Disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a. During the year under review the company has changed the method of arriving cost of Work in progress and finished goods, this has resulted into over statement of stock and profit by Rs. 71.50 lacs.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described in the Emphasis of Matters paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For J.P.J. ASSOCIATES

Chartered Accountants

Firm's Registration Number : 113012W

CA Sandesh Deorukhkar

Partner

Membership Number : 044397

Place : Badlapur

Date: 02/06/2015

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our Report of even date)

As required by the Company (Auditor's Report) Order, 2015 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, in our opinion, and on the basis of such checks of the books and the records as we considered appropriate, and according to the information and explanation given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that-

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, except for certain items of fixed assets, the quantitative details and the situation of the fixed assets, we were informed, are in the process of being complied.
- (b) A substantial portion of the fixed assets has been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
- (a) The inventories have been physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of examination of inventory records, in our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- The Company has granted loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
 - (a) In our opinion and according to the information and explanations given to us Receipt of the principal amount and interest are regular.
 - (b) In our opinion and to the best of our information and according to the explanations given to us, there were no overdue amounts more than Rs. One lakh from the companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- In our opinion and according to the information and explanations given to us, the company has not accepted deposits and hence, the question of compliance of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under does not arise.
- We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (a) According to the records of the Company and as per the information and explanations given to us, the Company is generally not regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Works Contract Tax, Duty of Customs, Duty of Excise, value added tax, cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, no arrears of statutory dues as at March 31, 2015 for a period of more than six months from the date they became payable except for Income Tax of Rs. 214 lacs which is payable for Assessment Year 2014-15
- (b) According to the information and explanation given to us and records examined by us, there are no disputed dues of Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess outstanding as on 31st March 2015, except following dues raised by the income Tax Department which are disputed by the Company:

Assessment year	Total Demand (Rs. in lakhs)	Payment Made (Rs. in lakhs)	Particulars
2009-10	77.76	25.00	Appeal Pending with Income Tax Appellate Tribunal.
2010-11	185.04	125.00	Appeal Pending with Income Tax Appellate Tribunal.
2011-12	145.32	60.00	Appeal Pending with Income Tax Appellate Tribunal.

- (c) In our opinion, and according to the information and explanation given to us, the provisions of the Companies Act, 1956 (1 of 1956) in relation to investor education and protection fund are not applicable to the Company.
- The company has no accumulated losses as on 31st March 2015 and has not incurred cash losses during the financial year covered by our audit as also during the immediate preceding financial year.
- In our opinion and according to the information and explanations given to us, the Company has been generally regular in repayment of interest and principle to financial institutions or banks except that in few cases there were minor delay in repayment of interest and principle to financial institutions or banks.
- The company has given guarantees for loans taken by others from bank and financial institutions. According to the information and explanation given to us, we are of the opinions that the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
- According to the information and explanation given to us and on an overall examination we are of the opinion that the term loans were applied for the purpose for which loans were obtained.
- Based upon the audit procedures performed and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For J.P.J. ASSOCIATES

Chartered Accountants

Firm's Registration Number : 113012W

CA Sandesh Deorukhkar

Partner

Membership Number : 044397

Place : Badlapur

Date: 02/06/2015

BALANCE SHEET AS AT 31ST MARCH, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,057.80	1,962.80
Reserves and surplus	2	14,236.68	11,474.37
Money received against warrants		-	356.25
		16,294.48	13,793.42
Non Current Liabilities			
Long-Term borrowings	3	4,180.29	3,721.34
Deferred Tax liabilities (Net)	4	223.60	118.26
Long - Term provisions	5	136.43	117.60
		4,540.32	3,957.20
Current Liabilities			
Short-Term borrowings	3	12,069.30	11,100.54
Trade Payables	6	3,543.52	3,807.10
Other Current Liabilities	7	1,489.33	1,074.94
Short-Term Provisions	8	922.42	451.61
		18,024.57	16,434.19
TOTAL		38,859.37	34,184.81
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	9	6,813.21	4,248.88
Intangible Assets	9	16.85	22.69
Capital Work-in-Progress	9	10,735.00	6,852.13
Intangible Assets under Development	9	-	-
Non Current Investments	10	1,379.89	1,379.88
Long -term Loans and Advances	11	5,386.04	3,995.57
		24,330.99	16,499.15
Current Assets			
Inventories	12	5,465.60	6,297.31
Trade Receivables	13	6,810.14	8,514.93
Cash and Cash Equivalents	14	1,222.84	1,811.21
Short- term Loans and Advances	15	40.30	25.61
Other Current Assets	16	989.51	1,036.60
		14,528.38	17,685.66
TOTAL		38,859.37	34,184.81
Significant Accounting Policies & Notes on Financial Statements	1 to 29		

As per our report of even date

For and on behalf of the Board of Directors

For J.P.J. Associates

Chartered Accountants
Firm Registration No. 113012W

Pravin Herlekar

(Chairman and Managing Director)
(DIN 00525610)

Omkar Herlekar

(Whole Time Director)
(DIN 01587154)

CA Sandesh R. Deorukhkar

Partner
M.No. 044397

Hiral Patel

(Chief Financial Officer)

Nirav Momaya

(Company Secretary)

Place : Badlapur

Date : 02/06/2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	Note No.	For the year ended 31st March 2015	For the year ended 31st March 2014
INCOME			
Revenue from Operation	17	19,331.31	20,962.11
Other Income	18	491.02	574.73
Total Revenue		19,822.33	21,536.84
EXPENDITURE			
Cost of Material Consumed	19	10,364.19	9,354.11
Purchase of stock in trade		2,389.33	5,079.46
Changes in inventories of Finished Goods, Work in progress and Stock in Trade	20	674.25	283.38
Employee Benefits Expense	21	1,018.33	988.25
Finance Costs	22	1,142.80	1,174.63
Depreciation and Amortization expense	9	197.36	610.16
Other Expenses	23	1,991.13	1,967.18
Total Expenditure		17,777.39	19,457.17
Profit before Exceptional Items & Extraordinary Items and Tax		2,044.94	2,079.67
Exceptional items		-	6.60
Profit Before tax		2,044.94	2,073.07
Tax Expenses			
Previous year adjustments		(60.56)	13.23
MAT Credit entitlement		(220.65)	-
Current Tax		427.35	594.03
Deferred Tax		105.34	5.59
Profit for the period		1,793.46	1,460.22
Earnings per equity share (in Rs.)			
Basic		8.89	7.44
Diluted		8.89	7.10
Face Value of Equity Shares (in Rs.)		10	10
Significant Accounting Policies & Notes on Financial Statements	1 to 29		

As per our report of even date

For J.P.J. Associates
Chartered Accountants
Firm Registration No. 113012W

CA Sandesh R. Deorukhkar
Partner
M.No. 044397

Place : Badlapur
Date : 02/06/2015

For and on behalf of the Board of Directors

Pravin Herlekar
(Chairman and Managing Director)
(DIN 00525610)

Hiral Patel
(Chief Financial Officer)

Omkar Herlekar
(Whole Time Director)
(DIN 01587154)

Nirav Momaya
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	2,044.94	2,079.67
Adjustments for :		
Depreciation	197.36	610.16
Finance expenses	1,142.80	1,308.86
Provision for Gratuity	18.83	4.70
Provision for Bad and Doubtful debts	-	100.00
Provision for CSR Expenses	50.00	-
Interest, dividend income	(442.50)	(492.48)
Increase/ Diminution in value of investment	-	(0.09)
Unrealized Foreign exchange gain/ loss	19.54	(37.25)
Operating Profit before working capital changes	3,030.97	3,573.57
Adjustments for :		
Trade and Other Receivables	1,704.79	(2,467.82)
Short- term Loans and Advances	(14.69)	52.31
Other Current Assets	417.74	221.29
Inventories	831.71	58.74
Trade and Other Payables	(572.50)	1,669.29
	2,367.05	(466.19)
Taxes Paid	(112.66)	(693.09)
Cash Generated from Operations	5,285.36	2,414.29
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets(refer note 9)	(6,638.71)	(3,267.26)
Purchase of Investments	(0.01)	-
Long -term Loans and Advances	(1,390.47)	(1,254.90)
Share Application Money	-	(300.00)
Interest received	442.50	492.48
Net Cash used in Investing Activities	(7,586.69)	(4,329.68)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short term Borrowings	968.76	2,451.63
Proceeds from Long term Borrowings	1,182.25	731.29
Issue of warrants	-	-

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Issue of Equity share (Convertible warrants)	1,068.75	-
Interest paid	(1,142.80)	(1,308.86)
Dividend paid (including Dividend distribution tax)	(344.46)	(342.18)
Net Cash from Financing Activities	1,732.50	1,531.88
Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(568.83)	(383.51)
Cash and Cash equivalents at the beginning of the year	1,811.21	2,157.47
Exchange difference on translation of foreign currency cash and cash equivalents	(19.54)	37.25
Cash and Cash equivalents at the end of the year	1,222.84	1,811.21

Notes:

- 1 Figures in brackets indicate outflows.
- 2 Purchase of fixed assets includes payments for items in capital work in progress.
- 3 Cash and Cash equivalents represent Cash and Bank balances.
- 4 Cash and Cash equivalents includes Rs 667.11 lakhs held as Margin money pledged with the bank.
(Previous year Rs 635.94 lakhs)

As per our report of even date**For J.P.J. Associates**

Chartered Accountants
Firm Registration No. 113012W

CA Sandesh R. Deorukhkar

Partner
M.No. 044397

Place : Badlapur

Date : 02/06/2015

For and on behalf of the Board of Directors**Pravin Herlekar**

(Chairman and Managing Director)
(DIN 00525610)

Hiral Patel

(Chief Financial Officer)

Omkar Herlekar

(Whole Time Director)
(DIN 01587154)

Nirav Momaya

(Company Secretary)

SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the provisions of the companies Act, 1956 and the applicable accounting standards. The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

2. USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the same are known/materialized.

3. FIXED ASSETS:

1. Fixed Assets are stated at cost of acquisition or construction (net of CENVAT/VAT credit availed) less accumulated depreciation/amortization and impairment loss, if any.
2. Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
3. Exchanges differences arising on liabilities relating to acquisition of depreciable fixed assets are adjusted to the cost of respective assets and depreciated over the remaining useful life of such assets

4. FOREIGN CURRENCY TRANSACTIONS/TRANSLATION:

Foreign currency transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction. Exchange differences, if any, arising out transactions settled during the quarter are recognized in the profit & loss account.

Monetary items denominated in foreign currency as at the balance sheet date are translated at the closing exchange rate on that date. The Exchange differences, if any, are recognized in the profit & loss account. Non monetary foreign currency items are carried at cost.

The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Profit & Loss Account in the reporting period.

5. CASH FLOW STATEMENTS

Cash flows are reported using indirect method, whereby profit/(loss) is adjusted for the effects of the transaction are adjusted with non cash transaction and any difference or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information

6. INVENTORIES :**1. Raw Material**

The company is valuing Raw material, packing material and stores stock by taking costs of purchase consist of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition. Trade discounts, rebates, duty drawbacks, finance cost and other similar items are deducted in determining value of the stock of Raw materials. In determining the cost the First In First Out (FIFO) method is used.

2. Finished Goods and Work in process

Finished Goods and Work in process are valued at cost or net realizable value, whichever is lower. The cost is determined

by reducing from the sales value of inventory the appropriate percentage of gross margin depending on the stage of completion.

7. REVENUE RECOGNITION:

1. Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the company.
2. Revenue from product sale is stated net of returns, sales tax/VAT and applicable trade discounts and allowances.
3. Interest income is recognized on time accrual basis.

8. INVESTMENTS:

1. Investments that are readily realisable and intended to be held for not more than one year from the date of investment are classified as current investments. All other investments are classified as long-term investments.
2. Current investments are carried at the lower of cost and realisable value, determined on an individual investment basis.
3. Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately in respect of each category of investment.

9. EXPORT BENEFITS:

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and are accounted to the extent considered receivable.

10. EXCISE DUTY/CUSTOM DUTY:

Excise duty / Customs duty has been accounted on the basis of payments made in respect of goods cleared. Modvat credit on raw materials and capital goods has been accounted for, by reducing the purchase cost of raw materials and capital goods respectively.

11. DEPRECIATION/AMORTIZATION :

1. Intangible Assets :

The intangible assets (Other than computer software) are amortized over a period of 10 years.

2. Tangible Assets :

Depreciation on tangible assets is provided on the straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

Cost of leasehold land is amortized over the period of lease.

12. EMPLOYEE BENEFITS:

1. Short Term Employee Benefits:

All short- term employee benefits such as salaries, wages, bonus, special awards, medical benefits which fall due within twelve months of the period in which the employee renders the related services which entitles him to avail such benefits and non-accumulating compensated absences are recognized on an undiscounted basis charged to the profit and loss account.

2. Provision for Gratuity is made and provided on actuarial valuation basis.
Other retirement benefits are accounted as per company's policy.

13. TAXES ON INCOME

Income Taxes are accounted for in accordance with Accounting Standard 22 (AS 22) "Accounting for Taxes on Income". Tax expense comprises of Current Tax and Deferred Tax:

1. Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
2. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to Timing Differences, between the taxable income and accounting income, that originate in one period and are capable of reversal in one or more periods. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.”

14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

15. BORROWING COST:

Borrowing cost attributable to acquisitions and construction of capital goods are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use and all other borrowing costs are charged to profit & loss Account.

16. IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

17. RESEARCH AND DEVELOPMENT COSTS:

Revenue expenditure on research and development is expensed out under the respective heads of account in the year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the Profit and Loss account as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Fixed assets used for research and development are depreciated in accordance with the Company's policy.

18. LOANS AND ADVANCES:

Loans and advances are stated net of provision for bad and doubtful items if any and recoveries are written back to the profit and loss account when received.

19. SECURITY PREMIUM ACCOUNT:

Any expensed incurred for raising of funds from securities are adjusted against security premium account.

20. CHANGES IN ACCOUNTING POLICIES :

There are no changes in the accounting policies during the reported period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

The previous Year figures have been regrouped / reclassified, wherever necessary to conform to the current Year presentation.

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014		
1	SHARE CAPITAL				
	AUTHORISED CAPITAL				
	35000000 Equity Shares of Rs.10/- each. (previous year 25000000 Equity Shares of Rs.10/- each)	3,500.00	2,500.00		
	Issues, Subscribed and Paid up:				
	20578004 Equity Shares of Rs 10/- each, Fully paid Up (previous year 19628004 Equity Shares of Rs.10/- each)	2,057.80	1,962.80		
	Total	2,057.80	1,962.80		
	The Movements of Share capital is set out below:				
	Particulars	As at 31st March, 2015		As at 31st March, 2014	
		No. of Shares	Amount	No. of Share	Amount
	Authorised Share Capital				
Authorised Share Capital at the beginning of the Year	25000000	2,500.00	25000000	2,500.00	
Increase during the year	10000000	1,000.00	-	-	
Authorised Share Capital at the end of the Year	35000000	3,500.00	25000000	2,500.00	
Issued, Subscribed and Paid up capital					
At the beginning of the Year	19628004	1,962.80	19628004	1,962.80	
Add: Issued during the year	950000	-			
At the end of the Year	20578004	2,057.80	19628004	1,962.80	
Details of Shareholders holding more than 5% shares in the company					
Particulars	As at 31st March, 2015		As at 31st March, 2014		
	No. of Shares	Amount	No. of Share	Amount	
Pravin Herlekar	9715971	971.60	10131471	1,013.15	
Anjali Herlekar	1208240	120.82	1208240	120.82	
SBI Magnum Midcap Fund	1463755	146.38	-	-	
Total	12387966	1,238.80	11339711	1,133.97	

Notes: of the above equity shares

- 1) Nominal value of Rs 100/- per equity share sub divided into Rs 10/- per equity shares, during the Financial year 2010-11
- 2) During the financial year 2010-2011, 8100004 Equity shares of Rs. 10/-each were issued at premium of Rs. 88/- each by public offer
- 3) Mr. Pravin S. Herlekar has acquired 180005 equity shares on March, 2014. However the same is not reflected in the beneficial position received from the depositories as on 31st March, 2014
- 4) Mr. Pravin S. Herlekar has acquired 195603 equity shares out of which 110603 shares are not reflected in the beneficial position received from the depositories as on 31st March, 2015. Further he has created encumbrance on 722300 shares which are not reflected in the beneficial position received from the depositories as on 31st March, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
2	RESERVE AND SURPLUS		
	Security Premium Account		
	Opening Balance	6,040.69	6,040.69
	Add: Additions During the Year on issued during the year	1,330.00	-
	Closing Balance	7,370.69	6,040.69
	General Reserve		
	Opening Balance	680.40	580.40
	Add: Transfer from Profit and Loss Account	150.00	100.00
	Closing Balance	830.40	680.40
	Profit & Loss Account		
	Balance as per last Balance Sheet	4,753.28	3,737.52
	Add : Profit for the Year	1,793.46	1,460.22
		6,546.74	5,197.74
	Less : Appropriations Proposed Dividend on Equity Shares (Rs. 1.50 per share) (Previous Year Rs 1.50per share)	308.67	294.42
	Tax on Dividend	52.46	50.04
	Transferred to General Reserve	150.00	100.00
	Closing Balance	6,035.61	4,753.28
	Total Reserves and surplus	14,236.68	11,474.37

Note No.	Particulars	As at 31st March, 2015				As at 31st March, 2014			
		Long Term	Current maturities of Long-term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total
3	BORROWINGS								
	Secured Borrowings								
	(a)Term Loans	-	-	-	-	-	-	-	-
	1)From Banks	3,163.96	851.50	-	4,015.47	3,721.34	578.21	-	4,299.55
	2)From Financial Institutions & Others	-	-	-	-	-	-	-	-
	b)Repayable on Demand	-	-	-	-	-	-	-	-
	1)From Banks	-	-	10,856.16	10,856.16	-	-	8,851.49	8,851.49
	2)From Financial Institutions & Others	-	-	-	-	-	-	-	-
	TOTAL SECURED BORROWINGS	3,163.96	851.50	10,856.16	14,871.63	3,721.34	578.21	8,851.49	13,151.04
	Unsecured Borrowings								
	(a)Term Loans	-	-	-	-	-	-	-	-
	1)From Banks	390.51	325.00	-	715.51	-	-	-	-
	2)From Financial Institutions & Others	625.82	125.00	-	750.82	-	-	-	-
	(b) Short Term Loan from Financial Institutions	-	-	157.35	157.35	-	-	174.92	174.92
	(c)Loans from Banks	-	-	1,055.79	1,055.79	-	-	2,074.13	2,074.13
	TOTAL UNSECURED BORROWINGS	1,016.33	450.00	1,213.14	2,679.47	-	-	2,249.05	2,249.05
	Total	4,180.29	1,301.50	12,069.30	17,551.10	3,721.34	578.21	11,100.54	15,400.09

Note:

- 1) Term loans /ECB Loan
 - a) From Banks were secured by way of hypothecation of stock, spare parts and book debts and first charge on land, building and plant and machinery present and future situated at plot No. F-24, plot No. W -92A, W-94, W-95 plot No.F-9, F -10/1, plot No. B-34, MIDC, Badlapur,Dist : Thane and plot no. D 27/5, Lote Parshuram Industrial Area, Taluka - Khed , Ratnagiri in Maharashtra
 - b) Personal guarantee of the promoter directors of the company
 - c) Unsecured term loan were are secured by Personal guarantee of the promoter directors of the company
- 2) Working Capital Loans
 - a) From Banks were secured by way of hypothecation of stock, spare parts and book debts and first charge on land building and plant and machinery present and future situated at plot No. F-24, plot No. W -92A,W-94,W-95, plot No B-34, plot No. F-9, F -10/1, MIDC, Badlapur, Dist : Thane & plot no. D 27/5, Lote Parshuram Industrial Area, Taluka - Khed , Ratnagiri in Maharashtra "
 - b) Personal guarantee of the promoter directors of the company
- 3) Secured Borrowings from banks,repayable on demand, includes Buyers Credit of Rs Nil (Previous year : Rs 1711.85 lakhs)
- 4) Other loans are repayable on demand.
- 5) * Current maturities of long term borrowings are considered in note no. 7- Other Current liabilities
- 6) Term Loan Repayment Schedule

Repayable within	Term Loan	ECB	Total
1 Year	548.18	753.32	1,301.50
1-2 Years	426.66	602.66	1,029.32
2-3 Years	297.17	602.66	899.83
After 3 Years	292.50	1,958.65	2,251.15
Total	1,564.51	3,917.29	5,481.80

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
4	DEFERRED TAX		
	Deferred Tax Assets/Liability		
	Deferred Tax Liabilities:		
	On account of difference between net book value of the capital assets as per books vis-à-vis written down value as per Income Tax Act	839.80	591.24
	Deferred Tax Assets:		
	On account of gratuity, Bonus & leave encashment	150.63	226.76
	Net Difference	689.17	364.48
	Tax Rate in%	32.45	32.45
	Net Deferred Tax (Assets)/Liabilities	223.60	118.26
5	LONG TERM PROVISIONS		
	Provision for Gratuity	120.52	117.60
	Provision for Leave encashment	15.91	-
	Total	136.43	117.60
6	TRADE PAYBLES		
	Creditors for Goods	3,383.14	3,525.03
	Creditors for Expenses	160.38	282.07
	Total	3,543.52	3,807.10
7	OTHER CURRENT LIABILITIES		
	Current maturities of long-term debt (Refer Note 3)	1,301.50	578.21
	Interest accrued but not due on borrowings	44.27	40.28
	Advances received from customers	-	2.91
	Unclaimed dividend	0.76	0.62
	Creditors for capital goods	-	183.19
	Payables to Subsidiaries- Desh Chemicals Private Ltd	63.43	63.84
	Statutory liabilities	25.45	45.17
	Other Payables	53.91	160.72
	Total	1,489.33	1,074.94
	1)The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures as required under Schedule VI of the Companies Act, 2013 relating to amounts unpaid as at the year end together with interest paid/ payable, etc., have not been made		
	2)The Company has not received the required information from suppliers regarding their status under the Small Scale Industries Act and hence disclosures as required under Schedule VI of the Companies Act, 2013 relating to amounts unpaid as at the year end together with interest paid/ payable, etc., have not been made.		
8	SHORT TERM PROVISIONS		
	Others Provisions		
	Proposed Dividend	308.67	294.42
	Tax on proposed Dividend	52.46	50.04
	Provision for CCR	50.00	-
	Provision for Taxation (Net)	511.29	107.16
	Total	922.42	451.62

NOTE NO. 09 - FIXED ASSETS

(Rupees in Lakhs, except for share data if otherwise stated)

Description of the Assets	Useful life of assets (Years)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.04.14	Additions during the Year	Deduction/Adjustment during the Year	Cost as on 31.03.15	Upto 01.04.14	Addition For the Year	Deduction/Adjustment For the Year	Upto 31.03.15	WDV as on 31.03.15	WDV as on 31.03.14
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets											
Leasehold Land	0	1,232.84	-	-	1,232.84	36.02	4.76	-	40.78	1,192.06	1,196.82
Factory Building	30	1,222.92	618.87	-	1,841.79	394.96	28.66	-	423.62	1,418.17	827.96
Residential Premises	20	53.17	-	-	53.17	6.24	0.76	-	7.00	46.17	46.93
Plant & Machinery (R&D)	10	571.77	8.76	-	580.53	202.61	19.47	-	222.08	358.46	369.16
Plant & Machinery	20	2,807.25	2,016.49	-	4,823.74	1,304.85	79.94	-	1,384.79	3,438.94	1,502.40
Electrical Installation	10	263.96	54.39	-	318.35	96.64	21.59	-	118.23	200.12	167.32
Furniture & Fixture	10	115.91	4.61	-	120.52	44.48	8.23	-	52.71	67.81	71.43
Office Equipments	5	60.17	2.79	-	62.96	19.96	11.78	-	31.74	31.22	40.21
Computer	3	63.18	3.51	-	66.69	41.83	8.41	-	50.24	16.45	21.35
Motor Car and Cycle	5	22.06	44.17	-	66.23	16.75	5.67	-	22.42	43.81	5.31
Assets less than Rs 5,000/-	1	6.12	0.51	-	6.63	6.12	0.51	-	6.63	-	-
Sub total (A)		6,419.35	2,754.11	-	9,173.46	2,170.46	189.79	-	2,360.25	6,813.21	4,248.89
Intangible Assets											
Patent Fees	5	6.21	1.17	-	7.38	1.64	0.20	-	1.84	5.55	4.57
Computer Softwares	1	55.38	0.56	-	55.94	37.26	7.38	-	44.64	11.30	18.12
Sub total (B)		61.59	1.73	-	63.32	38.90	7.58	-	46.48	16.85	22.69
Capital Work in Progress											
Intangible	10	-	-	-	-	-	-	-	-	-	-
Tangible		6,852.13	6,584.52	2,701.65	10,735.00	-	-	-	-	10,735.00	6,852.13
Sub total (C)		6,852.13	6,584.52	2,701.65	10,735.00	-	-	-	-	10,735.00	6,852.13
GRAND TOTAL (A+B+C)		13,333.07	9,340.36	2,701.65	19,971.78	2,209.36	197.36	-	2,406.72	17,565.06	11,123.71
Previous Year		10,065.82	3,509.44	242.18	13,333.07	1,599.91	610.16	0.70	2,209.37	11,123.70	8,465.92

The impact of change in the method of accounting of depreciation as suggested in Schedule II of the Companies Act, 2013 on profitability is Rs. 237.79 Lacs. The Profit is overstated to that extent and the fixed assets are overstated to that extent.

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015		As at 31st March, 2014
10	NON CURRENT INVESTMENTS			
	Investments in subsidiaries (Fully paid up, Trade, Unquoted)	No of Shares		Rupees
		2014-15	2013-14	Rupees
	Rishichem Research Ltd (Face Value Rs 10/- per share)	54000	54000	130.10
	Desh Chemicals Pvt Ltd (Face Value Rs 100/- per share)	4950	4950	71.11
	Less : Provsion for Dimunition in Value of Investment			(6.60)
	Urdhwa Chemicals Company Pvt Ltd(Face Value Rs 100/- per share)	354440	354440	354.44
	Lasa Laboratory Private Limited (Face Value Rs 10/- per share)	3210000	2010000	550.12
	Lasa Laboratory Private Limited (Face Value Rs 10/- per share) Preference shares	2740000	2740000	274.00
	Share Application Money in Lasa Laboratory Private Ltd			-
	Share in Kalyan Janta Sahakari Bank	10	-	0.01
	Sub total (A)			1,373.18
	Investment in Mutual Fund (Fully paid up, Non Trade, Quoted)	No of Units		
	Baroda Pioneer Mutual fund (Face Value Rs 10/- per unit)	100000	100000	10.00
	Less : Dimunition in Value of Investment			3.29
	(Market Value as on 31 st March 2015 Rs 6.71 lakhs)			
	Sub total (B)			6.71
	Total (A+B)			1,379.89
11	LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)			
	Deposits			68.81
	Loans and Advances to Subsidiaries			
	Urdhwa Chemicals Co Private Limited			4,320.94
	Lasa Laboratory Private Limited			996.29
	Total			5,386.04
12	INVENTORIES			
	Stores and spare parts			3.77
	Raw materials			1,436.83
	Work-in-progress			3,424.02
	Finished products			600.98
	Total			5,465.60
	The value of the closing stock of raw materials, Packing Material, stores, work in process and finished goods has been arrived at on the basis of the records maintained and certified by the Management.			
13	TRADE RECEIVABLES			
	(Unsecured and Considered Good)			
	More than six months			1,129.84
	Others			5,680.29
	Total			6,810.14
	(Unsecured and Considered Doubtful)			
	More than six months			100.00
	Others			-
	Less: Provsion for doubtful Trade Receivables			100.00
	Total			-
	Total			6,810.14

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
14	CASH AND BANK BALANCES		
	Cash and Cash Equivalents		
	Balance with Banks	553.99	1,174.21
	Cash on hand	1.74	1.06
	In Earmarked Accounts	78.27	36.90
	Held as Margin Money	588.84	599.04
	Total	1,222.84	1,811.21
	* Earmarked balance with banks is for unclaimed dividend of the previous quarter.		
	# Fixed Deposits with banks are with maturity of not more than twelve months.		
15	SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
	Staff loans & Advance	0.30	3.24
	Advances to suppliers	40.00	21.87
	Deposits	-	0.50
	Total	40.30	25.61
16	OTHER CURRENT ASSETS		
	Prepaid Expenses	0.72	46.25
	Interest accrued but not due on advances	324.76	309.04
	Other Taxes & Duties	664.03	681.31
	Total	989.51	1,036.60
Note No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
17	REVENUE FROM OPERATION		
	Sale of Products		
	Domestic Sales	15,110.34	16,718.49
	Exports Sales	5,362.95	5,654.31
	Sales (Gross)	20,473.30	22,372.80
	Less : Excise Duties	1,324.41	1,536.71
	Sales (Net)	19,148.89	20,836.09
	Sale of Services	-	
	Job work Charges	182.42	126.02
	Net Sales & Services	19,331.31	20,962.11
	Segment Reporting "The Principal business of the company is manufacturing and sale of chemicals. All other activities of the company revolve around its main business. Hence, there is only one primary reportable business segment as defined by Accounting Standard -17 as notified by the Companies (Accounting Standards) Rules,2006".		
18	OTHER INCOME		
	Interest Income	442.50	492.48
	Duty Drawback	25.67	66.48
	Sale of sample	1.52	4.86
	Miscellaneous receipts	1.80	10.82
	Forex Gains	19.54	-
	Increase in value of Investment	-	0.09
	Total	491.02	574.73

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
19	COST OF MATERIAL CONSUMED		
	Opening Stock of Raw Materials	1,593.89	1,368.99
	Add : Purchases	10,207.13	9,579.01
	Less : Closing Stock of Raw Materials	1,436.83	1,593.89
	Total	10,364.19	9,354.11
20	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
	Opening Inventories :		
	Finished products	996.19	293.32
	Work- in-progress	3,703.06	4,689.31
	Sub Total (A)	4,699.25	4,982.63
	Closing Inventories :		
	Finished products	600.98	996.19
	Work- in-progress	3,424.02	3,703.06
	Sub Total (B)	4,025.00	4,699.25
	Total (A-B)	674.25	283.38
21	EMPLOYEE BENEFITS EXPENSES		
	Salaries, Wages & Other Benefits (Note I)	944.14	934.43
	Contribution to Provident and Other Funds	36.92	27.57
	Workmen and staff welfare expenses	37.28	26.25
	Total	1,018.33	988.25
	Note I: Salaries, Wages & Other Benefits, recognised as expense for the Year is as under :		
	Salaries and Wages	582.06	466.80
	Directors Remuneration	185.00	185.00
	Bonus, Gratuity and other incentives	42.55	20.09
	Employers Contribution to ESIC & Other Funds	3.44	3.93
	Contract Labour Charges	235.58	277.12
	Gross Total	1,048.64	952.94
	Less: Project Development Expenditure Capitalised	104.50	18.51
	Net Total	944.14	934.43
The following tables sets out the disclosures relating to gratuity benefits as required by Accounting Standard -15 Employee Benefits:			
21.1	Past Service Cost Recognised		
	Past Service Cost-(non vested benefits)	-	-
	Past Service Cost-(vested benefits)	-	-
	Average remaining future service till vesting of benefits	-	-
	Recognized Past Service Cost-non vested benefits	-	-
	Recognized Past Service Cost –vested benefits	-	-
	Unrecognised Past Service Cost –non vested benefits	-	-
21.2	Actuarial Gain/(loss) Recognised		
	Actuarial gain/(Loss) for the period (Obligation)	35.12	31.17
	Actuarial gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	35.12	31.17
	Actuarial Gain/(Loss) recognized for the period	35.12	31.17
	Unrecognised Actuarial Gain/(Loss) at the end of the period	-	-

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
21.3	Changes in the present value of obligation:		
	Present value of obligation at beginning of period	117.60	-
	Add : Interest Cost	9.28	8.93
	Add: Current Service Cost	31.89	29.75
	Add; Past Service Cost	-	-
	Less: Benefits paid	(3.14)	(3.14)
	Add: Actuarial (gain)/loss on obligation	(35.12)	(31.17)
	Present value of obligation at end of period	120.52	117.60
21.4	Changes in the Fair value of Plan Assets:		
	Fair value of Plan Assets at beginning of period	-	-
	Add: Actual return on Plan Assets	-	-
	Add: Contributions	3.14	3.14
	Less: Benefits Paid	(3.14)	(3.14)
	Add: Actuarial Gain/(loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
21.5	Amounts recognized in the balance sheet		
	Present value of obligation at the end of the period	120.52	117.60
	Less: Fair Value of Plan Assets at end of period	-	-
	Funded Status	(120.52)	(117.60)
	Unrecognized Past Service Cost		
	Net Asset/(Liability) recognized in the Balance Sheet	(120.52)	(117.60)
21.6	Expenses recognized in the profit and Loss account		
	Current Service Cost	31.89	29.75
	Add: Interest Cost	9.28	8.93
	Add: Past Service Cost	-	-
	Add: Net Actuarial (Gain)/Loss recognised	35.12	(31.17)
	Expenses recognized in the Profit and loss Account	6.05	7.51
21.7	The following table sets out the assumptions used in actuarial valuation of gratuity:		
	Interest/Discount Rate	8%	8%
	Rate of increase in compensation	15%	15%
	Rate of return (expected) on plan assets	N.A.	N.A.
	Employee Attrition Rate (Past Service)	0 to 3: 3%	0 to 3: 3%
		3 to 42 : 0%	3 to 42 : 0%
22	FINANCE COST		
	Interest Expenses *	1,642.95	1,195.04
	Other Borrowing Costs	52.97	69.17
	Applicable net gain/loss on foreign currency transactions	(10.84)	44.65
	Gross Total	1,685.07	1,308.86
	Less: Interest Capitalised	542.27	134.23
	Net Total	1,142.80	1,174.63
	* Interest Expenses includes :	-	-
	On loans for fixed periods from banks	300.99	44.13
	On cash credit and other facilities from banks	1,341.96	1,150.91
	Total	1,642.95	1,195.04

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
23	OTHER EXPENSES		
	Other Manufacturing Expenses		
	Factory Electricity charge	122.97	107.55
	Water Charges	16.75	12.64
	Packing & Testing Charges	4.31	2.97
	Laboratory Expenses	167.23	251.69
	Consumable Stores	146.10	144.22
	Processing Charges	514.68	450.95
	Repairs & Maintenance- Building	8.15	21.69
	Repairs & Maintenance - Machinery	92.06	92.68
	Freight Inward	105.56	79.70
	Sundry Factory Expenses	3.72	0.44
	Sub Total (A)	1,181.53	1,164.53
	Administrative, Selling and Distribution Expenses		
	Sales Promotion Expenses	33.40	95.48
	Commission on Sales	61.15	119.10
	Conveyance & Travelling Expenses	49.90	46.69
	Freight & Transportation - Sales	152.68	94.50
	Misc. Expenses	79.07	55.71
	Postage, Telephone/Telegram/Internet Charges	49.10	35.01
	Repairs & Maintenance- Others	15.83	13.26
	Insurance	19.80	26.28
	Printing & Stationery	14.37	13.70
	Professional Charges	151.89	140.04
	Rates & Taxes	41.89	12.32
	Provision for Doubtful Debts	-	100.00
	Forex Loss	81.63	42.46
	Payments to Auditors	8.89	8.10
	CSR Expenses	50.00	-
	Sub Total (B)	809.60	802.65
	Total (A+B)	1,991.13	1,967.18
	Exceptional Items		
	Expenses		
	Provision for Diminution in value of investment in Subsidiary Desh Chemicals Private Ltd	6.60	6.60
	Total	6.60	6.60
23.1	Payment to Auditors		
	a) As Auditor	6.00	6.00
	b) For Taxation Matter	1.20	1.20
	c) For Other Services	1.69	0.90
	Total	8.89	8.10

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
23.2	Value of Imported Raw material & stores consumed & percentage of consumption		
	Raw Material		
	Imported	7,619.94	4,525.25
	Percentage	73.52%	48.38%
	Indigenous	2,744.25	4,828.86
	Percentage	26.48%	51.62%
	Total	10,364.19	9,354.11
	Percentage	100%	100%
	Consumables		
	Imported	Nil	Nil
	Percentage	Nil	Nil
	Indigenous	146.10	144.22
	Percentage	100%	100%
	Total	146.10	144.22
	Percentage	100%	100%
23.3	Earnings and Expenditure in foreign currency		
	Earnings In Foreign Exchange		
	Value Of Export (FOB)	5,362.95	5,487.33
	Expenditure In Foreign Currency		
	Purchase Of Materials	8,497.07	9,604.71
	Capital Expenditure	2.44	76.68
	Other Expenses	33.04	23.41
	Interest	208.02	245.05
	Dividend Remitted In Foreign Currency		-
	Value Of Import On CIF Basis		
	Raw Material	8,497.07	9,604.71
	Capital Goods	2.44	76.68
23.4	The Company has incurred the following expenses on research and development activity:		
	On Tangible Fixed Assets	308.76	37.92
	On items which have been expensed during the year*	45.97	297.29
	Total	354.73	335.21
	* Includes amount of Rs. Nil Paid to external agency in current year (Previous Year Rs 3.41 lakhs)		
24	Basic and Diluted Earnings per share is calculated as under		
	Profit attributable to Equity shareholder	1,793.46	1,460.22
	Weighted average number of Equity shares :		
	Basic	20,184,990	19,628,004.00
	Diluted	20,184,990	20,578,004.00
	Earning per share in Rs		
	Basic	8.89	7.44
	Diluted	8.89	7.10

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars of Sales and Stock of Finished goods(Manufacturing Goods) :			
	Particulars	Opening Stock	Sales	Closing Stock
		(Rs)	(Rs)	(Rs)
25.1	Iodine Compounds	743.34	12,939.37	320.05
		<i>55.00</i>	<i>10,328.45</i>	<i>743.34</i>
	Selenium Compounds	65.34	1,543.31	55.63
		<i>209.56</i>	<i>2,010.76</i>	<i>65.34</i>
	Intermediates	138.95	1,000.39	178.07
		<i>25.45</i>	<i>1,662.82</i>	<i>138.95</i>
	Others (Molybdenum,Cobalt, Bismuth)	13.81	96.97	17.64
		<i>2.20</i>	<i>532.67</i>	<i>13.81</i>
	Resolving Agents	34.75	1,052.76	29.59
		<i>1.11</i>	<i>963.77</i>	<i>34.75</i>
Total	996.19	16,632.80	600.98	
	<i>293.32</i>	<i>15,498.47</i>	<i>996.19</i>	
The Figures In Italics Pertains To Previous Year				
25.2	Particulars of Goods Traded and Job work charges received:			
	Particulars	Goods Traded	Job work Charges	
		(Rs)	(Rs)	
	Iodine Compounds	2,663.93	0.88	
	Selenium Compounds	-	84.69	
			125.06	
	Intermediates	2,516.09	97.73	
		<i>2,673.68</i>	<i>0.08</i>	
	Others (Molybdenum,Cobalt, Bismuth)	-	-	
		-	-	
	Resolving Agents	-	-	
		-	-	
	Total	2,516.09	182.42	
		<i>5,337.61</i>	<i>126.02</i>	
The Figures In Italics Pertains To Previous Year				
25.3	Particulars of Work in Progress:			
	Particulars	Opening Stock	Closing Stock	
		(Rs)	(Rs)	
	Iodine Compounds	1,225.39	531.00	
		<i>2,668.27</i>	<i>1,225.39</i>	
	Selenium Compounds	1,999.67	2,041.69	
		<i>1,140.80</i>	<i>1,999.67</i>	
	Intermediates	419.02	765.41	
		<i>571.16</i>	<i>419.02</i>	
	Others (Molybdenum,Cobalt, Bismuth)	7.78	8.77	
		<i>91.17</i>	<i>7.78</i>	
	Resolving Agents	51.20	77.15	
		<i>217.91</i>	<i>51.20</i>	
	Total	3,703.06	3,424.02	
		<i>4,689.31</i>	<i>3,703.06</i>	
The Figures In Italics Pertains To Previous Year				

(Rupees in Lakhs, except for share data if otherwise stated)

25.4	Particulars of purchases, consumption and stock of materials:	Opening Stock	Purchases	Consumption	Closing Stock
		(Rs)	(Rs)	(Rs)	(Rs)
	Crude iodine	304.40 <i>238.90</i>	7,303.95 <i>7,521.24</i>	7,555.03 <i>7,455.74</i>	53.32 <i>304.40</i>
	Selenium Metal Powder	66.10 <i>158.06</i>	729.81 <i>670.16</i>	785.18 <i>762.12</i>	10.73 <i>66.10</i>
	Others	1,223.39 <i>972.03</i>	4,562.70 <i>6,467.07</i>	4,413.31 <i>6,215.72</i>	1,372.78 <i>1,223.39</i>
	Total	1,593.89 <i>1,368.99</i>	12,596.46 <i>14,658.47</i>	12,753.52 <i>14,433.57</i>	1,436.83 <i>1,593.89</i>
The Figures In Italics Pertains To Previous Year * above consumptions also includes cost of goods traded					

Note No	Particulars	
26	Related party Transactions	
	Party	Relationship
	Mr. Pravin.S. Herlekar	Director – Key Management Personnel
	Mr. Omkar P. Herlekar	Director – Key Management Personnel
	Mr. Rishikesh P. Herlekar	Relative – Key Management Personnel
	Mr Siddharth . S. Sinkar	Director – Key Management Personnel
	Svaks Biotech India private Limited	Company owned by Key Management Personnel
	Rishichem Research Limited	Subsidiary - Common Control Exists
	Desh Chemicals Private Limited	
	Lasa Laboratory Private Limited	
	Urdhwa Chemicals Company Private Limited	

	Nature of Transaction	Relationship	As on 31st March, 2015	As on 31st March, 2014
	Directors Remuneration/Salary	Key Management Personnel	78.00	78.00
	Directors Remuneration/Salary	Relative of key management personnel	6.38	1.50
	Commision to Directors	Key Management Personnel	102.00	102.00
	Management Consultancy Fees	Key Management Personnel	16.85	16.85
		Subsidiary		
	Rishichem Research Limited	Opening Balance Payable	16.67	42.33
		Job work charges	106.56	95.34
		Reimbursement of expenses	-	7.65
		Closing Balance Payable	8.92	16.67

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars		As on 31st March, 2015	As on 31st March, 2014	
26	Urdhwa Chemicals Company Private Limited	Opening Balance Receivable	587.75	1.85	
		Opening Balance Payable	21.56	85.54	
		Opening Loan Receivable	3720.05	2330.99	
		Purchase of Goods	1255.40	75.22	
		Sale of goods	674.76	640.80	
		Job work charges	163.37	194.21	
		Interest received	363.17	242.73	
		Purchase of fixed assets	Nil	Nil	
		Loan Given during the year	1088.89	1764.06	
		Loan Repaid during the year	488.00	375.00	
		Closing Balance Receivable	496.83	587.75	
		Closing Balance Payable	246.76	21.56	
		Closing Loan Receivable	4320.94	3720.05	
		Lasa Laboratory Private Limited	Opening Balance Receivable	287.86	185.19
			Opening Balance Payable	24.93	2.84
			Opening Loan Receivable	250.68	337.94
			Purchase of Goods	444.46	157.63
			Sale of goods	1285.46	1161.78
			Interest received	63.87	42.12
			Reimbursement of expenses	275.65	250.00
			Loan Given during the year	470.00	230.52
			Loan Repaid during the year	0.00	267.78
			Closing Balance Receivable	270.37	287.86
			Closing Balance Payable	114.56	24.93
			Closing Loan Receivable	996.29	250.68
			Share application money paid	0.00	300.00
		Desh Chemicals Private Limited	Opening Loan Receivable	63.84	47.38
			Purchase of fixed assets	0.00	100.00
			Purchase of Current assets	0.00	12.68
			Reimbursement of expenses	0.19	4.56
			Loan Given during the year	0.60	6.00
			Closing Loan Receivable	Nil	Nil
		Closing balance Payable	63.43	63.84	

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars		As on 31st March, 2015	As on 31st March, 2014
27	Money Received Against Warrants	Number of Warrants/Shares		
	Mr. Pravin S. Herlekar	190,000	285.00	71.25
	Mr. Omkar P. Herlekar	190,000	285.00	71.25
	Mr. Rishikesh P. Herlekar	190,000	285.00	71.25
	Svaks Biotech India Private Limited	380,000	570.00	142.50
	950,000		1,425.00	356.25
During the financial year, the Company has issued & allotted 950,000 Equity Shares of the Company pursuant to conversion of warrants issued on preferential basis, @ Rs. 150/- per warrant,				
28	CONTINGENT LIABILITIES AND COMMITMENTS :			
	i. Contingent Liabilities :			
	Claims against the company not acknowledged as debt : Rs Nil (Previous year : Rs Nil)			
	The company has given guarantee to the bank on behalf of its Wholly Owned Subsidiary, Urdhwa Chemical Co Pvt Limited of Rs 27 crores. (Previous year Rs 27 Cr) and Lasa Laboratory Private Limited of Rs 45.00 crores (previous year Rs 35.00 crores)			
	Contigent Liability in respect of income tax demands against which company has filed appeals with Income Tax Appealate Tribunal for Assesment Years 2009-10, 2010-11 and 2011-12. The total demand (net of payments) is Rs 198.12 Lakhs			
	ii. Commitments :			
	Particulars		As on 31st March, 2015	As on 31st March, 2014
	Letter of Credit		-	2,919.19
	Amount to be executed for forward contracts		-	1,028.81
	Estimated Amount of Contracts remaining to be executed on capital account		657.00	974.00
	Total		657.00	4,922.00
	We have examined all the contracts, claims and litigations against the Company and have analyzed the likely impact of the same as indicated above. We certify that apart from the contingent liabilities indicated above, the Company does not have any other contingent liabilities.			
29	The Previous year figures have been regrouped/rearranged wherever necessary to make it comparable with the current year.			

As per our report of even date

For J.P.J. Associates
Chartered Accountants
Firm Registration No. 113012W

CA Sandesh R. Deorukhkar
Partner
M.No. 044397

Place : Badlapur
Date : 02/06/2015

For and on behalf of the Board of Directors

Pravin Herlekar
(Chairman and Managing Director)
(DIN 00525610)

Hiral Patel
(Chief Financial Officer)

Omkar Herlekar
(Whole Time Director)
(DIN 01587154)

Nirav Momaya
(Company Secretary)

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of Omkar Speciality Chemicals Ltd.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **Omkar Speciality Chemicals Ltd.** ("the Company"), and its subsidiaries which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the Disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statements of subsidiaries whose financial statement reflect total assets of Rs. 17299.61 lakhs as at 31st March 2015, total revenue of Rs. 12485.74 lakhs , and cash flows amounting to Rs. 301.78 lakhs for the year then ended 31st

March 2015. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Consolidated Balance Sheet, of the state of affairs of the group as at 31st March 2015,
- b) In case of Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For J.P.J. ASSOCIATES

Chartered Accountants

Firm's Registration Number : 113012W

CA Sandesh Deorukhkar

Partner

Membership Number : 044397

Place : Badlapur

Date: 02/06/2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1	2,057.80	1,962.80
Reserves and Surplus	2	14,799.30	11,402.34
Money received against share warrants		-	356.25
		16,857.10	13,721.39
Non Current Liabilities			
Minority Interest		-	-
Long-term borrowings	3	6,062.20	6,511.75
Deferred tax liabilities (Net)	4	75.84	-
Long - term provisions	5	165.02	139.08
		6,303.06	6,650.83
Current Liabilities			
Short-term borrowings	3	14,062.46	12,617.29
Trade payables	6	6,136.29	4,514.45
Other current liabilities	7	3,283.84	2,163.06
Short-term provisions	8	1,279.09	646.37
		24,761.68	19,941.17
TOTAL		47,921.84	40,313.39
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible assets	9	14,474.67	8,652.44
Intangible Assets	9	440.62	446.59
Capital Work-in-Progress	9	12,156.77	9,644.13
Intangible Assets under Development	9	-	14.01
Non Current Investments	10	7.31	7.31
Deferred tax asset (Net)	4	-	6.15
Long -term Loans and Advances	11	103.95	57.69
		27,183.32	18,828.32
Current Assets			
Inventories	12	8,875.55	8,445.57
Trade Receivables	13	7,678.19	9,425.48
Cash and Cash Equivalents	14	1,553.98	1,843.53
Short- term Loans and Advances	15	261.20	154.59
Other Current Assets	16	2,369.60	1,615.90
		20,738.52	21,485.07
TOTAL		47,921.84	40,313.39
Significant Accounting Policies & Notes on Financial Statements	1 to 28		

As per our report of even date

For and on behalf of the Board of Directors

For J.P.J. Associates

Chartered Accountants
Firm Registration No. 113012W

Pravin Herlekar

(Chairman and Managing Director)
(DIN 00525610)

Omkar Herlekar

(Whole Time Director)
(DIN 01587154)

CA Sandesh R. Deorukhkar

Partner
M.No. 044397

Hiral Patel

(Chief Financial Officer)

Nirav Momaya

(Company Secretary)

Place : Badlapur

Date : 02/06/2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	Note No.	For the year ended 31st March 2015	For the year ended 31st March 2014
INCOME			
Revenue from Operation	17	26,513.37	24,027.98
Other income	18	89.75	324.78
Total Revenue		26,603.12	24,352.76
EXPENDITURE			
Cost of Material Consumed	19	13,804.31	11,213.37
Purchase of stock in trade		3,296.30	5,079.46
Changes in inventories of Finished Goods, Work in progress and Stock in Trade	20	(328.14)	(178.77)
Employee benefits expense	21	1,434.88	1,392.66
Finance Costs	22	1,448.35	1,435.73
Depreciation and Amortization expense	9	1,032.68	1,205.90
Other Expenses	23	3,089.25	2,227.28
Total Expenditure		23,777.63	22,375.63
Profit before Exceptional Items & Extraordinary Items and Tax		2,825.49	1,977.13
Exceptional items			6.60
Profit Before tax		2,825.49	1,970.53
Tax Expenses			
Previous year adjustments		(128.57)	28.87
Mat Credit Entitlement		(220.65)	
Current Tax		664.62	778.39
Deferred Tax		82.00	(192.79)
Profit for the Year (Before Minority Interest)		2,428.09	1,356.06
Less : Share of Profit of Minority Interest		-	-
Profit for the Year		2,428.09	1,356.06
Earnings per equity share			
Basic		12.03	6.91
Diluted		12.03	6.59
Face Value of Equity Shares (in Rs.)		10	10
Significant Accounting Policies & Notes on Financial Statements	1 to 28		

As per our report of even date

For and on behalf of the Board of Directors

For J.P.J. Associates

Chartered Accountants
Firm Registration No. 113012W

CA Sandesh R. Deorukhkar

Partner
M.No. 044397

Pravin Herlekar

(Chairman and Managing Director)
(DIN 00525610)

Hiral Patel

(Chief Financial Officer)

Omkar Herlekar

(Whole Time Director)
(DIN 01587154)

Nirav Momaya

(Company Secretary)

Place : Badlapur
Date : 02/06/2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	2,825.49	1,970.53
Adjustments for :		
Depreciation	1,032.68	1,205.90
Finance expenses	1,448.35	1,711.25
Provision for gratuity	25.77	38.29
Provision for CSR Expenses	50.00	-
Provision for bad and doubtful debts	-	100.00
Interest, dividend income	(18.86)	(231.68)
Increase/ Diminution in value of investment	-	(0.09)
Unrealized Foreign exchange gain/ loss	22.45	37.25
Operating Profit before working capital changes	5,385.88	4,831.45
Adjustments for :		
Trade and Other Receivables	1,747.29	(2,918.66)
Short- term Loans and Advances	(106.61)	842.76
Other Current Assets	(753.70)	253.55
Inventories	(568.53)	(1,170.17)
Trade and Other Payables	2,517.74	1,776.21
	2,836.19	(1,216.31)
Cash Generated from Operations	8,083.52	2,900.59
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets(refer note 9)	(9,347.48)	(6,284.82)
Purchase of Investments	(0.01)	
Long -term Loans and Advances	(46.26)	12.04
Revaluation of Assets	-	(4.08)
Interest received	18.86	231.68
Net Cash used in Investing Activities	(9,374.89)	(6,045.18)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short term Borrowings	1,445.17	3,557.64
Proceeds from Long term Borrowings	303.15	1,119.63
Issue of warrants		356.25

(Rupees in Lakhs, except for share data if otherwise stated)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Issue of Equity Shares(Convertible warrants)	1,068.75	
Interest paid	(1,448.35)	(1,711.25)
Dividend paid (including Dividend distribution tax)	(344.46)	(344.47)
Net Cash from Financing Activities	1,024.26	2,621.55
Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(267.10)	(523.04)
Cash and Cash equivalents at the beginning of the year	1,843.53	2,403.82
Exchange difference on translation of foreign currency cash and cash equivalents	(22.45)	(37.25)
Cash and Cash equivalents at the end of the year	1,553.98	1,843.53

Notes:

- 1 Figures in brackets indicate outflows.
2. Purchase of fixed assets includes payments for items in capital work in progress.
3. Cash and Cash equivalents represent Cash and Bank balances
4. Cash and Cash equivalents includes Rs 667.11 lakhs held as Margin money pledged with the bank.
(Previous year Rs 647.70 lakhs)

As per our report of even date**For J.P.J. Associates**

Chartered Accountants
Firm Registration No. 113012W

CA Sandesh R. Deorukhkar

Partner
M.No. 044397

Place : Badlapur

Date : 02/06/2015

For and on behalf of the Board of Directors**Pravin Herlekar**

(Chairman and Managing Director)
(DIN 00525610)

Hiral Patel

(Chief Financial Officer)

Omkar Herlekar

(Whole Time Director)
(DIN 01587154)

Nirav Momaya

(Company Secretary)

SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Consolidated financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and applicable accounting standards. The company follows mercantile system of accounting and recognises income and expenditure on accrual basis.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements related to Omkar Speciality Chemicals Limited (the Company) and its subsidiary companies Rishichem Research Limited, Desh Chemicals Private Limited, Urdhwa Chemicals Company Private Limited, Lasa Laboratory Private Limited (Collectively Referred as a group). The consolidated financial statements have been prepared on the following basis:

Name of Subsidiary	Country of Incorporation	Effective Shareholding
Rishichem Research Limited	India	100.00%
Desh Chemicals Private Limited	India	100.00%
Urdhwa Chemicals Company Private Limited	India	100.00%
Lasa Laboratory Private Limited	India	100.00%

The financial statements of the parent company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transaction and unrealized profits in full. Unrealised losses, if any, resulting from intra-group transactions are also eliminated except to the extent recoverable value of related assets is lower than their cost to the group. The amounts shown in respect of reserves comprise the amount of relevant reserves as per the balance sheet of the parent company and its share in the relevant reserves of the subsidiary.

As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner as the Company's separate financial statements. The difference of the cost to the company of its investment in subsidiary over its share in the equity of the investee company as at the date of acquisition of stake is recognized in financial statements as Goodwill or Capital Reserve, as the case may be.

2. USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the same are known/ materialized.

3. FIXED ASSETS:

- Fixed Assets are stated at cost of acquisition or construction (net of CENVAT/VAT credit availed) less accumulated depreciation/amortization and impairment loss, if any.
- Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- Exchanges differences arising on liabilities relating to acquisition of depreciable fixed assets are adjusted to the cost of respective assets and depreciated over the remaining useful life of such assets

4. FOREIGN CURRENCY TRANSACTIONS/TRANSLATION:

Foreign currency transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of

transaction. Exchange differences, if any, arising out transactions settled during the quarter are recognized in the profit & loss account.

Monetary items denominated in foreign currency as at the balance sheet date are translated at the closing exchange rate on that date. The Exchange differences, if any, are recognized in the profit & loss account. Non monetary foreign currency items are carried at cost.

The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Profit & Loss Account in the reporting period.

5. CASH FLOW STATEMENTS

Cash flows are reported using indirect method, whereby profit/(loss) is adjusted for the effects of the transaction are adjusted with non cash transaction and any difference or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information

6. INVENTORIES :

1. Raw Material

The company is valuing Raw material, packing material and stores stock by taking costs of purchase consist of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition. Trade discounts, rebates, duty drawbacks, finance cost and other similar items are deducted in determining value of the stock of Raw materials. In determining the cost the First In First Out (FIFO) method is used.

2. Finished Goods and Work in process

Finished Goods and Work in process are valued at cost or net realizable value, whichever is lower. The cost is determined by reducing from the sales value of inventory the appropriate percentage of gross margin depending on the stage of completion.

7. REVENUE RECOGNITION:

1. Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the company.
2. Revenue from product sale is stated net of returns, sales tax/VAT and applicable trade discounts and allowances.
3. Interest income is recognized on time accrual basis.

8. INVESTMENTS:

1. Investments that are readily realisable and intended to be held for not more than one year from the date of investment are classified as current investments. All other investments are classified as long-term investments.
2. Current investments are carried at the lower of cost and realisable value, determined on an individual investment basis.
3. Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately in respect of each category of investment.

9. EXPORT BENEFITS:

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and are accounted to the extent considered receivable.

10. EXCISE DUTY/CUSTOM DUTY:

Excise duty / Customs duty has been accounted on the basis of payments made in respect of goods cleared. Modvat credit on raw materials and capital goods has been accounted for, by reducing the purchase cost of raw materials and capital goods respectively.

11. DEPRECIATION/AMORTIZATION :**1. Intangible Assets :**

The intangible assets (Other than computer software) are amortized over a period of 10 years.

2. Tangible Assets :

Depreciation on tangible assets is provided on the straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

Cost of leasehold land is amortized over the period of lease.

12. EMPLOYEE BENEFITS:**1. Short Term Employee Benefits:**

All short- term employee benefits such as salaries, wages, bonus, special awards, medical benefits which fall due within twelve months of the period in which the employee renders the related services which entitles him to avail such benefits and non-accumulating compensated absences are recognized on an undiscounted basis charged to the profit and loss account.

2. Provision for Gratuity is made and provided on actuarial valuation basis.

Other retirement benefits are accounted as per company's policy.

13. TAXES ON INCOME

Income Taxes are accounted for in accordance with Accounting Standard 22 (AS 22) "Accounting for Taxes on Income". Tax expense comprises of Current Tax and Deferred Tax:

1. Current Tax is determined as the amount of tax payable in respect of taxable income for the year.**2. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to Timing Differences, between the taxable income and accounting income, that originate in one period and are capable of reversal in one or more periods. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised."****14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

15. BORROWING COST:

Borrowing cost attributable to acquisitions and construction of capital goods are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use and all other borrowing costs are charged to profit & loss Account.

16. IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

17. RESEARCH AND DEVELOPMENT COSTS:

Revenue expenditure on research and development is expensed out under the respective heads of account in the year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the Profit and Loss account as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Fixed assets used for research and development are depreciated in accordance with the Company's policy.

18. LOANS AND ADVANCES:

Loans and advances are stated net of provision for bad and doubtful items if any and recoveries are written back to the profit and loss account when received.

19. SECURITY PREMIUM ACCOUNT:

Any expensed incurred for raising of funds from securities are adjusted against security premium account.

20. CHANGES IN ACCOUNTING POLICIES :

There are no changes in the accounting policies during the reported period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015		As at 31st March, 2014		
1	SHARE CAPITAL					
	AUTHORISED CAPITAL					
	35000000 Equity Shares of Rs.10/- each.	3,500.00		2,500.00		
	Issues, Subscribed and Paid up:					
	20578004 Equity Shares of Rs 10/- each, Fully paid Up	2,057.80		1,962.80		
	Total	2,057.80		1,962.80		
	The Movements of Share capital is set out below:					
	Particulars	As at 31st March, 2015		As at 31st March, 2014		
		No. of Shares	Amount	No. of Share	Amount	
	Authorised Share Capital					
	Authorised Share Capital at the beginning of the Year	25000000	2,500.00	25000000	2,500.00	
		10000000	1,000.00			
	Authorised Share Capital at the end of the Year	35000000	3,500.00	25000000	2,500.00	
	Increase during the year					
Issued, Subscribed and Paid up capital						
At the beginning of the Year	19628004	1,962.80	19628004	1,962.80		
Add: Issued during the year	950000	95.00				
At the end of the Year	20578004	2,057.80	19628004	1,962.80		
* Face value Rs 10/-						
Details of Shareholding more than 5% in the company						
Particulars	As at 31st March, 2015		As at 31st March, 2014			
	No. of Shares	Amount	No. of Share	Amount		
Pravin Herlekar*	9715971	971.60	10131471	1,013.15		
Anjali Herlekar	1208240	120.82	1208240	120.82		
SBI Magnum Midcap Fund	1463755	146.38	-	-		
Total	12387966	1,238.80	11339711	1,133.97		

Notes: of the above equity shares

- Nominal value of Rs 100/- per Equity Share sub-divided into Rs 10/- per Equity Share during the previous year 2010-11.
- During the previous year 8100004 Equity shares of Rs. 10/- each were issued at premium of Rs. 88/- each by public offer.
- Mr. Pravin S. Herlekar has acquired 180005 equity shares on March, 2014. However the same is not reflected in the beneficial position received from the depositories as on 31st March, 2014
- *4) Mr. Pravin S. Herlekar has acquired 195603 equity shares out of which 110603 shares are not reflected in the beneficial position received from the depositories as on 31st March, 2015. Further he has created encumbrance on 722300 shares which are not reflected in the beneficial position received from the depositories as on 31st March, 2015

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
2	RESERVE AND SURPLUS		
	Security Premium Account		
	Opening Balance	6,040.69	6,040.69
	Add: Additions during the year	1,330.00	-
	Closing Balance	7,370.69	6,040.69
	Capital Reserve		
	Opening Balance	97.38	94.29
	Add: Additions during the year	-	3.09
	Closing Balance	97.38	97.38
	General Reserve		
	Opening Balance	680.40	580.40
	Add: Transfer from Profit and Loss Account	150.00	100.00
	Closing Balance	830.40	680.40
	Profit & Loss Account		
	Opening Balance	4,583.87	3,672.27
	Add : Profit for the year	2,428.09	1,356.06
		7,011.96	5,028.33
	Less : Appropriations		
	Less : Proposed Dividend (Rs.1.5 per share) (Previous Year Rs.1.5 per share)	308.67	294.42
	Less Tax on Dividend	52.46	50.04
	Less Transfer to General Reserve	150.00	100.00
	Closing Balance	6,500.83	4,583.87
	Total	14,799.30	11,402.34

Note No.	Particulars	As at 31st March, 2015				As at 31st March, 2014			
		Long Term	Current maturities of Long-term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total
3	BORROWINGS								
	Secured Borrowings								
	(a) Bonds / Debentures								
	(b) Term Loans								
	1) From Banks	5,034.56	1,818.41	-	6,852.98	6,492.92	1,517.82	-	8,010.74
	2) From Financial Institutions & Others	-	-	-	-	-	-	-	-
	c) Repayable on Demand								
	1) From Banks			12,849.32	12,849.32			10,368.25	10,368.25
	2) From Financial Institutions & Others	11.31	2.11	-	13.42	-	-	-	-
	TOTAL SECURED BORROWINGS	5,045.87	1,820.52	12,849.32	19,715.72	6,492.92	1,517.82	10,368.25	18,378.99
	Unsecured Borrowings								
	a) Term Loan								
	1) From Bank	390.51	325.00		715.51	18.83		174.91	174.91
	2) from Financial Institutions & Others	625.82	125.00		750.82			2,074.13	2,074.13
	b) Short Term Loan from Financial Institutions			157.35	157.35				
	c) Loan From Banks			1,055.79	1,055.79				
	TOTAL UNSECURED BORROWINGS	1,016.33	450.00	1,213.14	2,679.47	18.83		2,249.04	2,267.87
	TOTAL BORROWINGS	6,062.20	2,270.52	14,062.46	22,395.19	6,511.75	1,517.82	12,617.29	20,646.86

Note:

1) Term loans /ECB Loan

- a) From Banks were secured by way of hypothecation of stock, spare parts and book debts and first charge on land, building and plant and machinery present and future situated at plot No. F-24, plot No. W -92A, W-94A, W-95A plot No.F-9, F -10/1, plot No. B-34, MIDC, Badlapur,Dist : Thane and plot no. D 27/5, Lote Parshuram Industrial Area, Taluka - Khed , Ratnagiri in Maharashtra
- b) from banks were secured by way of hypothecation of stock and book debts and first charge on land, building and plant and machinery situated at plot no. C-105, Mahad, Dist: Raigad
- c) from banks were secured by way of hypothecation of stock and book debts and first charge on land, building and plant and machinery situated at plot no. C-4, Lote Parshuram Ind area, MIDC, Dist: Ratnagiri.
- d) Personal guarantee of the promoter directors of the company

2) Working Capital Loans

- a) From Banks were secured by way of hypothecation of stock, spare parts and book debts and first charge on land building and plant and machinery present and future situated at plot No. F-24, plot No. W -92A,W-94A,W-95A, plot No B-34, plot No. F-9, F -10/1, MIDC, Badlapur, Dist : Thane & plot no. D 27/5, Lote Parshuram Industrial Area, Taluka - Khed , Ratnagiri in Maharashtra
- b) from banks were secured by way of hypothecation of stock and book debts and first charge on land, building and plant and machinery situated at plot no. C-105, Mahad, Dist: Raigad
- c) from banks were secured by way of hypothecation of stock and book debts and first charge on land, building and plant and machinery situated at plot no. C-4, Lote Parshuram Ind area, MIDC, Dist: Ratnagiri.
- d) Personal guarantee of the promoter directors of the company

3) Secured Borrowings from banks,repayable on demand, includes Buyers Credit of Rs Nil (Previous year : Rs 1711.85 lakhs)

4) Other loans are repayable on demand.

5) * Current maturities of long term borrowings are considered in note no. 7- Other Current liabilities

6) Term Loan/ECB Loan Repayment Schedule

Repayable within	Term Loan	ECB	Total
1 Year	829.18	1,439.23	2,268.41
1-2 Years	707.66	1,117.10	1,824.76
2-3 Years	578.17	602.66	1,180.83
After 3 Years	1,086.66	1,958.65	3,045.31
Total	3,201.67	5,117.64	8,319.31

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
4	DEFERRED TAX Deferred Tax Assets/Liability Deferred Tax Liabilities: On account of difference between net book value of the capital assets as per books vis-à-vis written down value as per Income Tax Act Deferred Tax Assets: On account of gratuity, Bonus & leave encashment Others Net Difference Tax Rate in % Net Deferred Tax (Assets)/Liabilities	(1,486.24) 167.80 1,127.74 (2,781.78) 75.84	876.19 116.60 (569.98) 1,329.57 (6.15)
5	LONG TERM PROVISIONS Provision for Gratuity Provision for Leave encashment Total	149.11 15.91 165.02	139.08 - 139.08
6	TRADE PAYABLES Creditors for Goods Creditors for Expenses Total	5,770.76 365.53 6,136.29	4,163.02 351.43 4,514.45
7	OTHER CURRENT LIABILITIES Current maturities of long-term debt (Refer Note 3) Interest accrued but not due on borrowings Advances received from customers Unclaimed dividend Creditors for capital goods Payables to Subsidiaries- Desh Chemicals Private Ltd Statutory liabilities Other Payables Total	2,270.52 359.30 169.45 0.76 289.17 - 104.88 89.76 3,283.84	1,517.82 65.16 2.91 0.62 278.92 - 84.94 212.69 2,163.06
	1) The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures as required under Schedule VI of the Companies Act, 2013 relating to amounts unpaid as at the year end together with interest paid/ payable, etc., have not been made		
	2) The Company has not received the required information from suppliers regarding their status under the Small Scale Industries Act and hence disclosures as required under Schedule VI of the Companies Act, 2013 relating to amounts unpaid as at the year end together with interest paid/ payable, etc., have not been made.		
8	SHORT TERM PROVISIONS Provision for Employee Benefits Provision for Provident fund Others Provisions Proposed Dividend Tax on proposed Dividend Provision for CCR Provision for Taxation (Net) Other expenses Total	- 308.67 52.46 50.00 859.99 7.97 1,279.09	- 294.42 50.04 269.50 32.41 646.37

NOTE NO. 09 - FIXED ASSETS

(Rupees in Lakhs, except for share data if otherwise stated)

Description of the Assets	Useful life of assets (Years)	GROSS BLOCK						DEPRECIATION				NET BLOCK		
		Cost as on 01.04.14	Additions during the Year	Deduction/Adjustment during the Year	Cost as on 31.03.15	Upto 01.04.14	Addition For the Year	Deduction/Adjustment For the Year	Upto 31.03.15	WDV as on 31.03.15	WDV as on 31.03.14			
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			
Tangible Assets														
Leasehold Land	-----	1,530.70	64.05	-	1,594.75	51.33	13.83		65.16	1,529.59	1,479.37			
Factory Building	0	2,404.97	1,604.11	-	4,009.09	552.50	122.96	-	675.46	3,333.62	1,852.47			
Residential Premises	30	53.17	-	-	53.17	6.24	0.76	-	7.00	46.17	46.93			
Plant & Machinery (R&D)	20	628.20	684.94	-	1,313.14	214.65	57.68	-	272.34	1,040.80	413.55			
Plant & Machinery	10	6,102.41	3,936.70	-	10,039.11	1,768.71	681.73	-	2,450.44	7,588.67	4,333.70			
Electrical Installation	20	476.41	55.51	-	531.92	134.90	91.46	-	226.36	305.56	341.51			
Furniture & Fixture	10	139.58	18.33	-	157.91	48.24	15.38	-	63.62	94.30	91.34			
Office Equipments	10	68.49	3.96	-	72.45	21.04	16.32	-	37.37	35.09	47.45			
Computer	5	73.14	7.78	-	80.92	46.40	11.92	-	58.32	22.60	26.74			
Motor Car and Cycle	3	40.38	62.90	-	103.28	21.00	11.62	-	32.62	70.66	19.38			
Assets less than Rs 5,000/-	5	6.12	0.51	-	6.63	6.12	0.51	-	6.63	-	-			
Patent Fees		6.21	403.92	-	410.13	1.64	0.90	-	2.54	407.60	4.57			
Sub total (A)		11,529.78	6,842.73	-	18,372.52	2,872.77	1,025.08	-	3,897.85	14,474.67	8,657.01			
Intangible Assets														
Goodwill		423.77	-	-	423.77	-	-	-	-	423.77	423.77			
Computer Softwares		55.52	6.11	-	61.63	37.27	7.51	-	44.78	16.85	18.25			
Sub total (B)		479.29	6.11	-	485.40	37.27	7.51	-	44.78	440.62	442.02			
Capital Work in Progress														
Intangible		14.01	29.08	-	43.09	-	-	-	-	43.09	14.01			
Tangible		9,644.13	6,865.09	4,395.54	12,113.69	-	-	-	-	12,113.69	9,644.13			
Sub total (C)		9,658.14	6,894.17	4,395.54	12,156.77	-	-	-	-	12,156.77	9,658.14			
GRAND TOTAL (A+B+C)	Rupees	21,667.21	13,743.02	4,395.54	31,014.69	2,910.04	1,032.59	-	3,942.63	27,072.07	18,757.17			
Previous Year	Rupees	15,396.99	6,548.94	278.72	21,667.21	1,721.47	1,205.88	17.30	2,910.05	18,757.17	13,675.52			

The impact of change in the method of accounting of depreciation as suggested in Schedule II of the Companies Act, 2013 on profitability is Rs. 237.79 Lacs. The Profit is overstated to that extent and the fixed assets are overstated to that extent.

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015		As at 31st March, 2014
10	NON CURRENT INVESTMENTS			
	Investment in Mutual Fund (Fully paid up, Non Trade, Quoted)	No of Shares		Rupees
		2014-15	2013-14	Rupees
	Baroda Pioneer Mutual fund (Face Value Rs 10/- per unit)	100000	100000	10.00
	Less : Diminution in Value of Investment (Market Value as on 31st March 2015 Rs 6.71 lakhs)			3.29
	Saraswat Co-Op Bank Ltd	6000	6000	0.60
	Total (A+B)			7.31
11	LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)			
	Deposits			103.95
	Loans and Advances to Subsidiaries			57.69
	Urdhwa Chemicals Co Private Limited			
	Lasa Laboratory Private Limited			
	Total			103.95
12	INVENTORIES			
	Stores and spare parts			3.77
	Raw materials			2,961.57
	Raw materials in transit			-
	Packing Material			2.17
	Work-in-progress			4,856.05
	Finished products			1,051.99
	Total			8,875.55
13	TRADE RECEIVABLES			
	(Unsecured and Considered Good)			
	More than six months			1,589.88
	Others			6,088.31
	Net Trade Receivables			7,678.19
	(Unsecured and Considered Doubtful)			-
	More than six months			100.00
	Others			-
	Less: Provision for doubtful Trade Receivables			100.00
	Total			-
	Total			7,678.19
14	CASH AND BANK BALANCES			
	Cash and Cash Equivalents			
	Balance with Banks			787.74
	Cash on hand			98.27
	In Earmarked Accounts			78.27
	Held as Margin Money			588.84
	Fixed deposits with Banks			0.86
	Total			1,553.98
				1,843.53

(Rupees in Lakhs, except for share data if otherwise stated)

Note No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
15	SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
	Staff Advance	0.53	3.27
	Advances to suppliers	227.13	150.82
	Deposits	-	0.50
	Intercompany debt	-	-
	Capital Advance	14.73	-
	Prepaid Expenses	18.81	-
	Total	261.20	154.59
16	OTHER CURRENT ASSETS		
	Prepaid Expenses	9.80	65.98
	Other Assets	57.18	0.40
	Interest accrued but not due on advances	327.76	24.10
	Receivables	-	-
	Income Tax (Net)	17.45	25.49
	Other Taxes and Duties	1,957.41	1,499.93
	Total	2,369.60	1,615.90

Note No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
17	REVENUE FROM OPERATION		
	Sale of Products		
	Domestic Sales	21,801.03	19,873.33
	Exports Sales	6,716.61	6,212.55
	Sales (Gross)	28,517.64	26,085.88
	Less : Excise Duties	2,186.69	2,183.97
	Sales (Net)	26,330.95	23,901.91
	Sale of Services		
	Job work Charges	182.42	126.07
	Net Sales & Services	26,513.37	24,027.98
18	OTHER INCOME		
	Interest Income	18.85	231.68
	Duty Drawback receivable	39.90	68.50
	Sale of sample	1.52	4.86
	Miscellaneous receipts	9.93	19.66
	Dividend Income	0.01	0.08
	Forex Gain	19.54	-
	Increase in value of Investment	-	-
	Total	89.75	324.78
19	COST OF MATERIAL CONSUMED		
	Opening Stock of Raw Materials	2,861.49	1,867.54
	Add : Purchases	13,906.56	12,205.02
	Less : Closing Stock of Raw Materials	2,963.74	2,859.19
	Total	13,804.31	11,213.37

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
20	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
	Opening Inventories :		
	Finished products	1,462.87	447.72
	Work- in-progress	4,117.03	4,953.41
	Sub Total (A)	5,579.90	5,401.13
	Closing Inventories :		
	Finished products	1,051.99	1,462.87
	Work- in-progress	4,856.05	4,117.03
	Sub Total (B)	5,908.04	5,579.90
	Total (A+B)	(328.14)	(178.77)
21	EMPLOYEE BENEFITS EXPENSES		
	Salaries, Wages & Other Benefits	1,351.88	1,301.43
	Contribution to Provident and Other Funds	36.92	27.57
	Workmen and staff welfare expenses	46.08	63.66
	Total	1,434.88	1,392.66
	Note: Salaries, Wages & Other Benefits, recognised as expense for the year is as under :		
	Salaries and Wages	743.07	585.06
	Directors Remuneration	201.21	200.91
	Bonus, Gratuity and other incentives	65.44	38.29
	Employers Contribution to ESIC	3.44	3.95
	Contribution to Labour Welfare Fund	0.02	0.12
	Contract Labour Charges	437.54	491.59
	Gross Total	1,450.72	1,319.92
	Less: Project Development Expenditure Capitalised	104.50	18.51
	Net Total	1,346.22	1,301.41
The following tables sets out the disclosures relating to gratuity benefits as required by Accounting Standard -15 Employee Benefits:			
21.1	Past Service Cost Recognised		
	Past Service Cost-(non vested benefits)	-	-
	Past Service Cost-(vested benefits)	-	-
	Average remaining future service till vesting of benefits	-	-
	Recognized Past Service Cost-non vested benefits	-	-
	Recognized Past Service Cost -vested benefits	-	-
	Unrecognised Past Service Cost -non vested benefits	-	-
21.2	Actuarial Gain/(loss) Recognised		
	Actuarial gain/(Loss) for the period (Obligation)	44.50	34.90
	Actuarial gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	44.50	34.90
	Actuarial Gain/(Loss) recognized for the period	37.19	32.80
	Unrecognised Actuarial Gain/(Loss) at the end of the period	-	-

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
21.3	Changes in the present value of obligation:		
	Present value of obligation at beginning of period	139.08	12.80
	Add : Interest Cost	10.99	9.96
	Add: Current Service Cost	47.95	41.29
	Add; Past Service Cost	-	0.00
	Less: Benefits paid	(3.14)	(3.14)
	Add: Actuarial (gain)/loss on obligation	(44.50)	(35.06)
	Present value of obligation at end of period	150.40	139.08
21.4	Changes in the Fair value of Plan Assets:		
	Fair value of Plan Assets at beginning of period	-	-
	Add: Actual return on Plan Assets	-	-
	Add: Contributions	3.14	3.14
	Less: Benefits Paid	(3.14)	(3.14)
	Add: Actuarial Gain/(loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
21.5	Amounts recognized in the balance sheet		
	Present value of obligation at the end of the period	150.70	139.08
	Less: Fair Value of Plan Assets at end of period	-	-
	Funded Status	(150.40)	(137.74)
	Unrecognized Past Service Cost	-	-
	Net Asset/(Liability) recognized in the Balance Sheet	(150.53)	(137.74)
21.6	Expenses recognized in the profit and Loss account		
	Current Service Cost	47.94	41.29
	Add: Interest Cost	10.99	9.96
	Add: Past Service Cost	-	0.00
	Add: Net Actuarial (Gain)/Loss recognised	25.74	(34.74)
	Expenses recognized in the Profit and loss Account	14.71	16.17
21.7	The following table sets out the assumptions used in actuarial valuation of gratuity:		
	Interest/Discount Rate	0.08	0.08
	Rate of increase in compensation	0.15%	0.15%
	Rate of return (expected) on plan assets	0 to 3:3%	N.A
	Employee Attrition Rate (Past Service)	3 to 42:0%	0 to 3 : 2.85%
22	FINANCE COST		
	Interest Expenses (Note-II)	2,114.91	1,586.26
	Other Borrowing Costs	158.68	72.39
	Applicable net gain/loss on foreign currency transactions and translation	(7.93)	52.60
	Gross Total	2,265.66	1,711.25
	Less: Interest Capitalised	817.31	275.52
	Net Total	1,448.35	1,435.73
	Note II: Interest Expenses includes :	-	-
	On loans for fixed periods from banks	752.90	318.59
	On cash credit and other facilities from banks	1,362.01	1,267.67
	Total	2,114.91	1,586.26

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
23	OTHER EXPENSES		
	Other Manufacturing Expenses		
	Factory Electricity charge	336.92	270.39
	Water Charges	40.65	29.49
	Packing & Testing Charges	7.89	3.50
	Laboratory Expenses	179.65	265.53
	Consumable Stores	305.70	224.74
	Processing Charges	828.32	165.09
	Repairs & Maintenance- Building	8.15	21.69
	Repairs & Maintenance - Machinery	166.58	175.59
	Central Excise Duty-Net	-	-
	Freight Inward	202.12	108.35
	Sundry Factory Expenses	20.24	20.45
	Sub Total (A)	2,096.22	1,284.82
23	Administrative, Selling and Distribution Expenses		
	Sales Promotion Expenses	75.58	132.14
	Commission on Sales	71.90	137.47
	Conveyance & Travelling Expenses	62.54	54.56
	Freight & Transportation - Sales	171.20	102.20
	Misc. Expenses	104.18	66.49
	Provision for Bad debts/Badbebt	-	100.00
	Telephone/Telegram/Internet Charges	56.78	41.25
	Repairs & Maintenance- Others	17.70	14.79
	Forex	102.20	42.83
	Insurance	30.33	38.68
	Printing & Stationery	29.11	16.82
	Professional Charges	166.86	167.30
	Rates & Taxes	42.80	17.78
	Payments to Auditors	11.85	10.15
	CSR Expenses	50.00	-
	Sub Total (B)	993.03	942.46
	Total (A+B)	3,089.25	2,227.28
23.1	Payment to Auditors		
	a) As Auditor	7.46	10.15
	b) For Taxation Matter	1.35	1.20
	c) For Other Services	1.69	0.90
	Total	10.50	12.25

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
23.2	Value of Imported Raw material & stores consumed & percentage of consumption		
	Raw Material		
	Imported	8,197.32	5,139.26
	Percentage	59.38	45.83%
	Indigenous	5606.99	6,074.11
	Percentage	40.62%	54.17%
	Total	13,804.31	11,213.37
	Percentage	100%	100%
	Consumables		
	Imported	Nil	Nil
	Percentage	Nil	Nil
	Indigenous	305.70	224.74
	Percentage	100%	100%
	Total	305.7	224.74
	Percentage	100%	100%
23.3	Earnings and Expenditure in foreign currency		
	Earnings In Foreign Exchange		
	Value Of Export (FOB)	6,561.80	5,918.28
	Expenditure In Foreign Currency		
	Purchase Of Materials	9,819.59	10174.71
	Capital Expenditure	2.44	216.71
	Other Expenses	66.78	33.03
	Interest	208.02	403.04
	Dividend Remitted In Foreign Currency	-	
	Value Of Import On CIF Basis		
	Raw Material	9,714.10	10,174.71
	Capital Goods	2.44	216.71
23.4	The Company has incurred the following expenses on research and development activity:		
	On Tangible Fixed Assets	308.76	37.92
	On items which have been expensed during the year*	45.97	297.29
	Total	354.73	335.21
	* Includes amount of Rs. 3.41 lakhs Paid to external agency in current year (Previous Year Rs 7.76 lakhs)		
24	Basic and Diluted Earnings per share is calculated as under		
	Profit attributable to Equity shareholder	2,428.09	1,356.06
	Weighted average number of Equity shares :		
	Basic	20,184,990	19,628,004
	Diluted	20,184,990	20,578,004
	Earning per share in Rs		
	Basic	12.03	6.91
	Diluted	12.03	6.59

(Rupees in Lakhs, except for share data if otherwise stated)

Note No	Particulars of Sales and Stock of Finished goods(Manufacturing Goods) :			
	Particulars	Opening Stock	Sales	Closing Stock
		(Rs)	(Rs)	(Rs)
25.1	Iodine Compounds	743.34	12,939.37	320.05
		<i>55.00</i>	<i>10,328.45</i>	<i>743.34</i>
	Selenium Compounds	65.34	1,543.31	55.63
		<i>209.56</i>	<i>2,010.76</i>	<i>65.34</i>
	Intermediates	239.41	1,541.08	178.07
		<i>25.45</i>	<i>1,452.89</i>	<i>239.41</i>
	API	366.22	5,683.02	451.01
		<i>154.35</i>	<i>3,275.75</i>	<i>366.22</i>
	Others (Molybdenum, Cobalt, Bismuth)	13.81	96.97	17.64
		<i>2.20</i>	<i>532.67</i>	<i>13.81</i>
Resolving Agents	34.75	1,052.76	29.59	
	<i>1.11</i>	<i>963.77</i>	<i>34.75</i>	
	1,462.87	22,856.51	1,051.99	
	<i>447.67</i>	<i>18,564.29</i>	<i>1,462.87</i>	
The Figures In Italics Pertains To Previous Year				

25.2	Particulars of Goods Traded and Job work charges received:		
Particulars	Goods Traded	Job work Charges	
	(Rs)	(Rs)	
Iodine Compounds	-	-	
	<i>2,663.93</i>	<i>0.88</i>	
Selenium Compounds	-	84.69	
	-	<i>125.06</i>	
API	-	-	
	-	-	
Intermediates	3,474.44	97.73	
	<i>2,673.68</i>	<i>0.14</i>	
Others (Molybdenum,Cobalt, Bismuth)	-	-	
	-	-	
Resolving Agents	-	-	
	12.07	-	
Total	3,474.44	182.42	
	<i>5,337.61</i>	<i>126.08</i>	
The Figures In Italics Pertains To Previous Year			

25.3	Particulars of Work in Progress:		
Particulars	Opening Stock	Closing Stock	
	(Rs)	(Rs)	
Iodine Compounds	1,225.39	531.00	
	<i>2,668.27</i>	<i>1,225.39</i>	
Selenium Compounds	1,999.67	2,041.69	
	<i>1,140.80</i>	<i>1,999.67</i>	
API	132.45	603.65	
	<i>64.58</i>	<i>132.45</i>	
Intermediates	700.54	1,593.79	
	<i>770.68</i>	<i>700.54</i>	

Others (Molybdenum,Cobalt, Bismuth)	7.78	8.77
	91.17	7.78
Resolving Agents	51.20	77.15
	217.91	51.20
Total	4,117.03	4,856.05
	4,953.41	4,117.03
The Figures In Italics Pertains To Previous Year		

(Rupees in Lakhs, except for share data if otherwise stated)

25.4 Particulars of purchases, consumption and stock of materials:					
Particulars	Opening Stock	Purchases	Consumption	Closing Stock	
	(Rs)	(Rs)	(Rs)	(Rs)	
Crude iodine	304.40	7,992.95	8,242.39	54.96	
	238.90	7,521.24	7,455.74	304.40	
Selenium Metal Powder	66.10	729.81	785.18	10.73	
	158.06	670.16	762.12	66.10	
Intermediates	1,265.30	6,409.26	6,149.29	1,525.27	
	498.55	3,391.32	2,624.57	1,265.30	
Others	1,225.70	2,070.84	1,923.76	1,372.78	
	974.34	5,701.76	5,450.41	1,225.70	
Total	2,861.50	17,202.86	17,100.61	2,963.74	
	1,869.85	17,284.48	16,292.83	2,861.50	
The Figures In Italics Pertains To Previous Year * above consumptions also includes cost of goods traded					

Note No	Particulars			
26	Related party Transactions			
	Party	Relationship		
	Mr. Pravin S. Herlekar	Director – Key Management Personnel		
	Mr. Omkar P. Herlekar	Director – Key Management Personnel		
	Mr Siddharth S. Sinkar	Director – Key Management Personnel		
	Mr Shivanand G. Hegde	Director – Key Management Personnel		
	Mr Rishikesh P.Herlekar	Relative – Key Management Personnel		
	Svaks Biotech India Private Limited	Company owned by Key Management Personnel		
	Nature of Transaction	Relationship	As on 31st March, 2015	As on 31st March, 2014
1	Directors Remuneration/Salary	Key Management Personnel	94.21	93.91
2	Commision to Directors	Key Management Personnel	102.00	102.00
3	Management Consultancy Fees	Key Management Personnel	16.85	16.85
4	Directors Remuneration/Salary	Relative – Key Management Personnel	6.38	1.50
Note No	Particulars		As on 31st March, 2015	As on 31st March, 2014
26	Money Received Against Warrants	Number of Warrants/Shares		
	Mr. Pravin S. Herlekar	190,000	285.00	71.25
	Mr. Omkar P. Herlekar	190,000	285.00	71.25
	Mr. Rishikesh P. Herlekar	190,000	285.00	71.25
	Svaks Biotech India Private Limited	380,000	570.00	142.50
		950,000	1,425.00	356.25
During the financial year, the Company has issued & allotted 950,000 Equity Shares of the Company pursuant to conversion of warrants issued on preferential basis, @ Rs. 150/- per warrant,				

(Rupees in Lakhs, except for share data if otherwise stated)

27	CONTINGENT LIABILITIES AND COMMITMENTS :		
	i. Contingent Liabilities :		
	Claims against the company not acknowledged as debt : Rs Nil (Previous year : Rs Nil)		
	The company has given guarantee to the bank on behalf of its Wholly Owned Subsidiary, Urdhwa Chemical Company Private Limited of Rs 27 crores (Previous year Rs 27 Cr) and Lasa Laboratory Private Limited of Rs 45 Crores (Previous Year Rs 35 crores)		
	Contingent Liability in respect of income tax demands against which company has filed appeals with Income Tax Appealate Tribunal for Assesment Years 2009-10, 2010-11 and 2011-12. The total demand (net of payments) is Rs 198.12 Lakhs		
	ii. Commitments :		
	Particulars	As on 31st March, 2015	As on 31st March, 2014
	Letter of Credit	52.77	3,009.83
	Amount to be executed for forward contracts	0	1,028.81
	Estimated Amount of Contracts remaining to be executed on capital account	657.00	974.00
	Total	709.77	5,012.64
	We have examined all the contracts, claims and litigations against the Company and have analyzed the likely impact of the same as indicated above. We certify that apart from the contingent liabilities indicated above, the Company does not have any other contingent liabilities.		
28	The Previous year figures have been regrouped/rearranged wherever necessary to make it comparable with the current year.		

As per our report of even date**For J.P.J. Associates**Chartered Accountants
Firm Registration No. 113012W**CA Sandesh R. Deorukhkar**Partner
M.No. 044397Place : Badlapur
Date : 02/06/2015**For and on behalf of the Board of Directors****Pravin Herlekar**(Chairman and Managing Director)
(DIN 00525610)**Hiral Patel**

(Chief Financial Officer)

Omkar Herlekar(Whole Time Director)
(DIN 01587154)**Nirav Momaya**

(Company Secretary)

FUND UTILIZATION CERTIFICATE

We have verified the statement of utilization of proceeds of Convertible Warrants as on 30th September 2014 of M/s. Omkar Speciality Chemicals Ltd, having its registered office at B 34, MIDC Badlapur (E), Thane.

Statement of utilization of proceeds of Convertible Warrants as on 30.09.14

		(Rs. In Lacs)	
Sr No	Particulars	Amounts	Amounts
1	Funds Received from Convertible Warrants	-	1,068.75
2	Utilised For Working Capital	1,068.75	-
	Total	1,068.75	1,068.75
	Unutilised Convertible Warrants		-

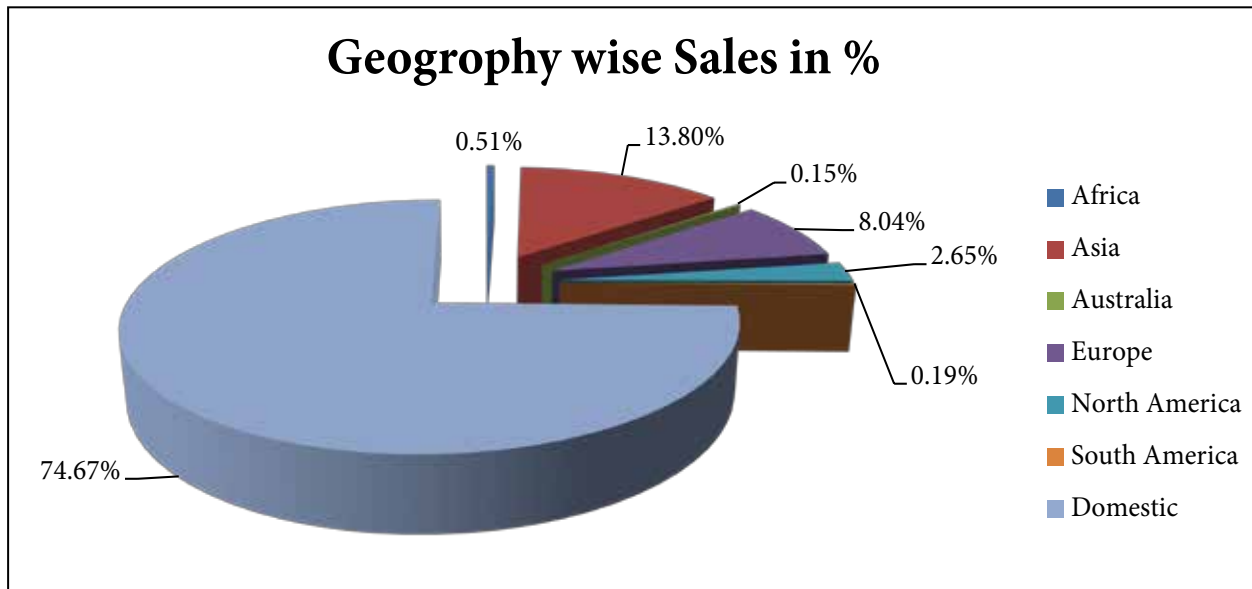
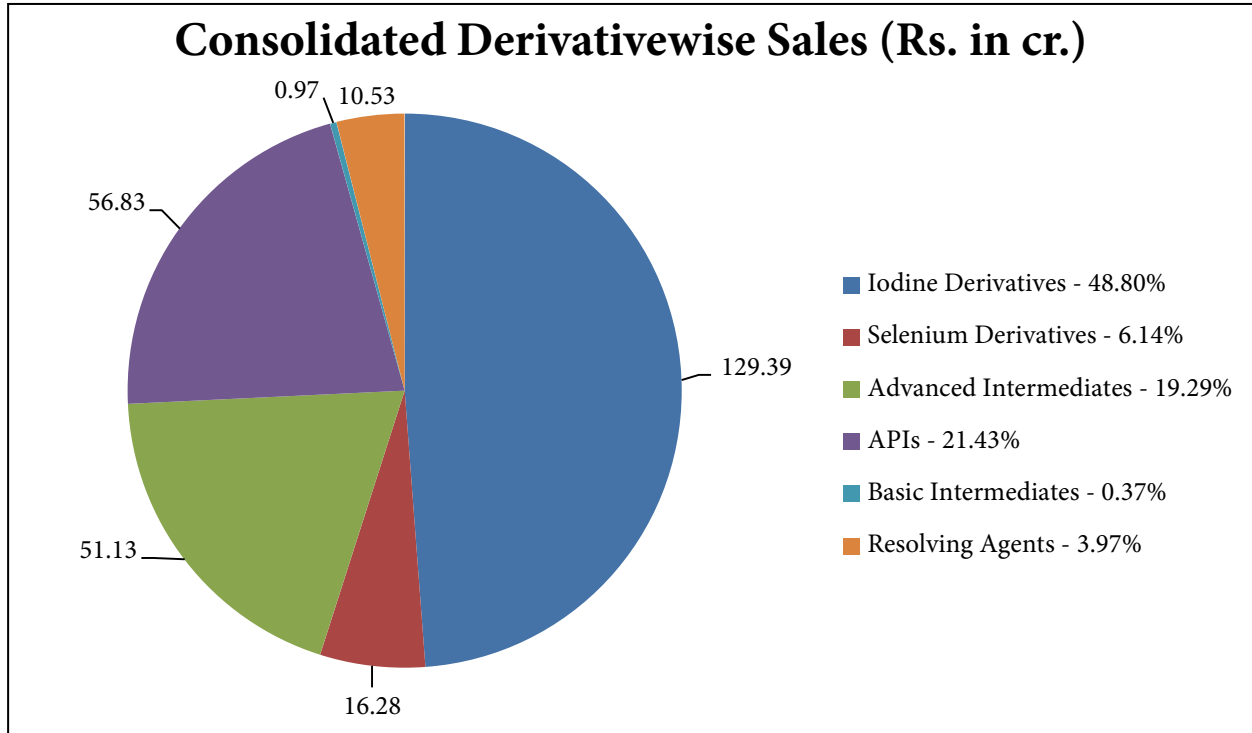
This has been verified on the basis books of accounts other relevant records, documents and information and explanations given to us in this regard.

For J.P.J. Associates
Chartered Accountants
Firm Registration No. 113012W

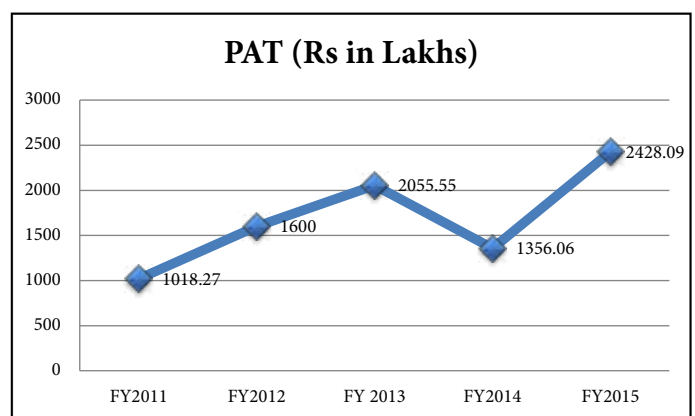
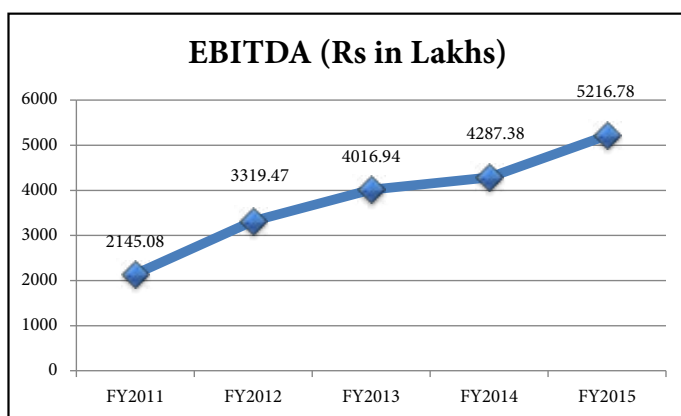
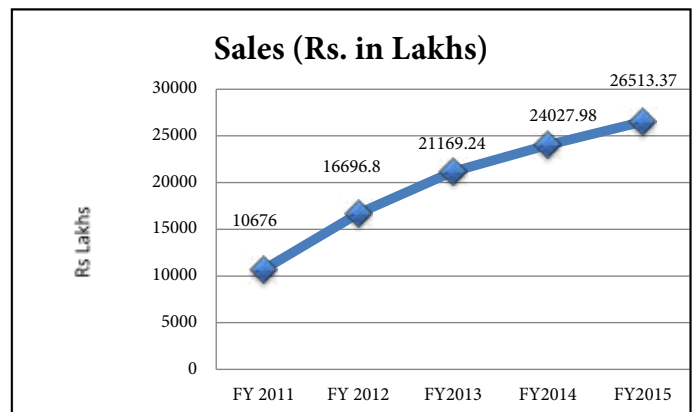
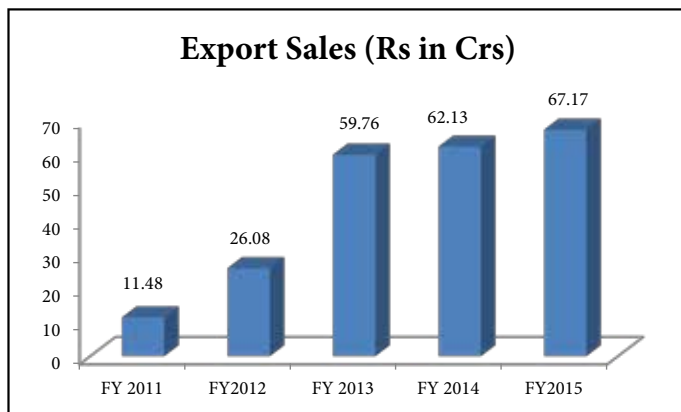
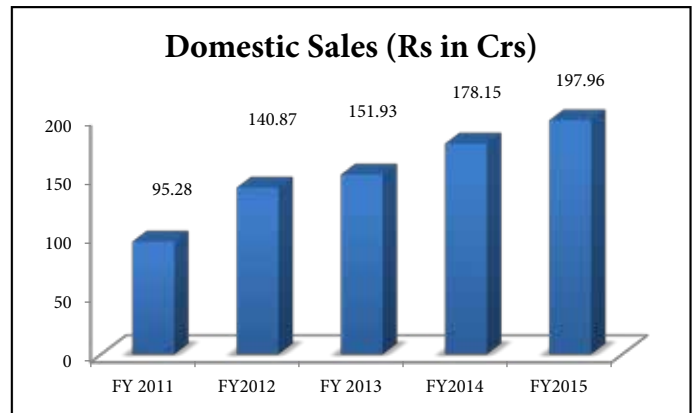
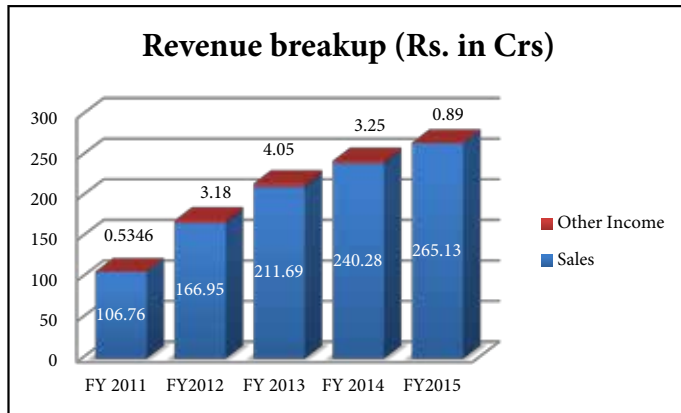
CA. Sandesh R. Deorukhkar
Partner
Membership no. 044397

Place :Mumbai
Date : 13/11/2014

CONSOLIDATED FINANCIAL HIGHLIGHTS



CONSOLIDATED FINANCIAL HIGHLIGHTS



OMKAR SPECIALITY CHEMICALS LIMITED

CIN: L24110MH2005PLC151589

Registered Office: B-34, MIDC, Badlapur (E), Thane-421503

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

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

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional slip on request.

Ledger Folio No. _____ *DP ID No. _____ *Client ID No. _____

NAME AND ADDRESS OF THE SHAREHOLDER:

No. of Share(s) held: _____

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on Saturday, the 26th day of September, 2015 at 11:00 A.M. Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane – 421503.

Signature of the shareholder or proxy

* Applicable for investors holding shares in electronic form

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Email: cs@omkarchemicals.com/info@omkarchemicals.com Web: www.omkarchemicals.com**ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS**

Name & Registered

Address of the

Sole / First Named

Member:

Name of the joint holders:

Registered Folio No. / :

DP ID No. / Client ID No.

Number of Shares held:

I / We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting dated 26th September, 2015, by conveying my / our assent or dissent to the resolutions by placing tick (✓) mark in the appropriate box below:

Sr. No.	Resolutions	No. of Shares	I/ We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
	Ordinary Business:			
1.	Consider and adopt Standalone Audited Financial Statement, Reports of the Board of Directors and Auditors			
2.	Consider and adopt Consolidated Audited Financial Statement, and Auditors Report.			
3.	Declaration of dividend on equity shares			
4.	Re-appointment of Mrs. Anjali P. Herlekar (DIN 00527420) who retires by rotation			
5.	Appointment of Auditors			
	Special Business:			
6.	Appointment of Mr. Laxmikant R. Kabra (DIN 00061346) as Non-Executive and Non-Independent Director			
7.	Appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director			
8.	Appointment of Mr. Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director			
9.	Appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director			
10.	Appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director and Woman Director			
11.	Re-Appointment of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman and Managing Director			
12.	Re-Appointment of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director			
13.	Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as a Director			
14.	Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director			

15.	Appointment of Mr. Prakash H.Rao (DIN 07239167) as a Director			
16.	Appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director			
17.	Approval of Cost Auditors Remuneration			
18.	Grant of Employee Stock Options to the employees of the Company under OSCL ESOP 2015:			
19.	Grant of Employee Stock Options to the employees of the Subsidiary Companies of the Company under OSCL ESOP 2015:			
20.	Grant of Options to issue securities equal to or exceeding one per cent but not exceeding four per cent of the issued Capital of the Company during any one financial year to identified employees under OSCL ESOP 2015:			

INSTRUCTIONS

General instructions:

- Shareholders have option to vote either through E-voting i.e. electronic means or to convey Assent/Dissent in physical form. If a shareholder has opted for Physical Assent/Dissent Form, then he/she should not vote by E-voting and vice versa. However, in case shareholders cast their vote through both physical Assent/Dissent Form and E-voting, then vote cast through E-voting shall be considered and vote cast through physical Assent/Dissent Form shall be treated as invalid.
- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 19th September, 2015.
- Voting through physical Assent/Dissent Form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below.

Instructions for voting physically on Assent/Dissent Form:

- A Member desiring to exercise vote by Assent/Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, M/s Nilesh A. Pradhan & Co., Practicing Company Secretary and send the same at their cost to reach the Scrutinizer at the Registered Office of the Company on or before the close of working hours i.e. 5:00 P.M. on 25th September, 2015. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
- This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
- In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Assent/Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
- Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- There will be one Assent/Dissent Form for every folio/Client ID irrespective of the number of joint holders.
- A Member may request for a duplicate Assent/Dissent Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No.1 above.
- Members are requested not to send any other paper along with the Assent/Dissent Form. They are also requested not to write anything in the Assent/Dissent form except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.
- The Scrutinizer's decision on the validity of the Assent/Dissent Form will be final and binding.
- Incomplete, unsigned or incorrectly ticked Assent/Dissent Forms will be rejected.

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PROXY FORM

[Pursuant to section 105(6) of the Companies Act 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered Address: _____

Email id: _____

Folio No./*Client ID: _____

*DP ID: _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Name: _____ Email id: _____

Address: _____ Signature: _____

Or failing him,

2. Name: _____ Email id: _____

Address: _____ Signature: _____

Or failing him,

3. Name: _____ Email id: _____

Address: _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Saturday, the 26th day of September 2015, at 11:00 A.M. at Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane – 421503 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
Ordinary Business:		
1. Consider and adopt Standalone Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Consider and adopt Consolidated Audited Financial Statement and Auditors Report		
3. Declaration of dividend on equity shares		
4. Re-appointment of Mrs. Anjali P. Herlekar (DIN 00527420) who retires by rotation		
5. Appointment of Auditors		
Special Business:		
6. Appointment of Mr. Laxmikant R. Kabra (DIN 00061346) as Non-Executive and Non-Independent Director		
7. Appointment of Mr. Sitendu K. Sharma (DIN 01956423) as an Independent Director		
8. Appointment of Mr. Vikas G. Gadre (DIN 06746818) as an Independent Director		
9. Appointment of Mr. Subhash N. Ghalke (DIN 07239171) as an Independent Director		
10. Appointment of Mrs. Sanjivani S. Patare (DIN 07239170) as an Independent Director & Woman Director		
11. Re-Appointment of Mr. Pravin S. Herlekar (DIN 00525610) as Chairman and Managing Director		
12. Re-Appointment of Mr. Omkar P. Herlekar (DIN 01587154) as Whole Time Director		
13. Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as a Director.		
14. Appointment of Mr. Rishikesh P. Herlekar (DIN 05240009) as an Executive Director.		
15. Appointment of Mr. Prakash H. Rao (DIN 07239167) as a Director.		
16. Appointment of Mr. Prakash H. Rao (DIN 07239167) as an Executive Director.		
17. Approval of Cost Auditors Remuneration		
18. Grant of Employee Stock Options to the employees of the Company under OSCL ESOP 2015:		
19. Grant of Employee Stock Options to the employees of the Subsidiary Companies of the Company under OSCL ESOP 2015:		
20. Grant of Options to issue securities equal to or exceeding one per cent but not exceeding four per cent of the issued Capital of the Company during any one financial year to identified employees under OSCL ESOP 2015:		

Signed this _____ day of _____ 2015

Signature of the shareholder

**AFFIX
REVENUE
STAMP**

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

* Applicable for investors holding shares in electronic form

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A proxy need not be a member of the Company.**
- This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



AGM 2014



Delegates at our plant



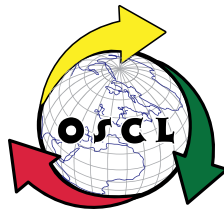
Plant visit by shareholders



Participation in International Exhibitions



CSR : Tree plantation



OMKAR

Always the leaders

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