OMKAR SPECIALITY CHEMICALS LIMITED

OMKAR
Always the leaders

Regd. & Corporate Office : Unit - III, B-34, M.I.D.C., Badlapur (East), Thane - 421 503, Maharashtra, India
Tel. : +91 (0251) 2697340, 2690651, Fax : +91 (0251) 2697347, 2691572
Email : info@omkarchemicals.com Web. : www.omkarchemicals.com

Ref. No.: OSCL/SE/2016-17/90

Date: September 8, 2016

To,	To,
Corporate Services Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. BSE CODE – 533317	Corporate Services Department **National Stock Exchange of India Limited** "Exchange Plaza", Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. NSE CODE: OMKARCHEM

Sub: Eleventh Annual General Meeting of the Company and Annual Report- 2015-16

Dear Sir,

This is to inform you that the Eleventh Annual General Meeting of the members of the Company will be held on Monday, September 26, 2016 at 04:30 p.m.at Sanjeevani Hall, near to Monginis Cake Shop, Badlapur (East), Thane-421503.

We attach herewith soft copy of Annual Report for the Financial Year 2015-16

Request you to take the same on record and acknowledge receipt.

Yours Truly,
For **OMKAR SPECIALITY CHEMICALS LIMITED**

SUNNY PAGARE
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M. NO.: A27431)
Encl: as above.

CIN: L24110MH2005PLC151589

OMKAR

Always the leaders

Annual Report

2015 - 2016

Omkar Speciality Chemicals Limited

Creative chemistry...
For a better tomorrow

Safety Training measures for children

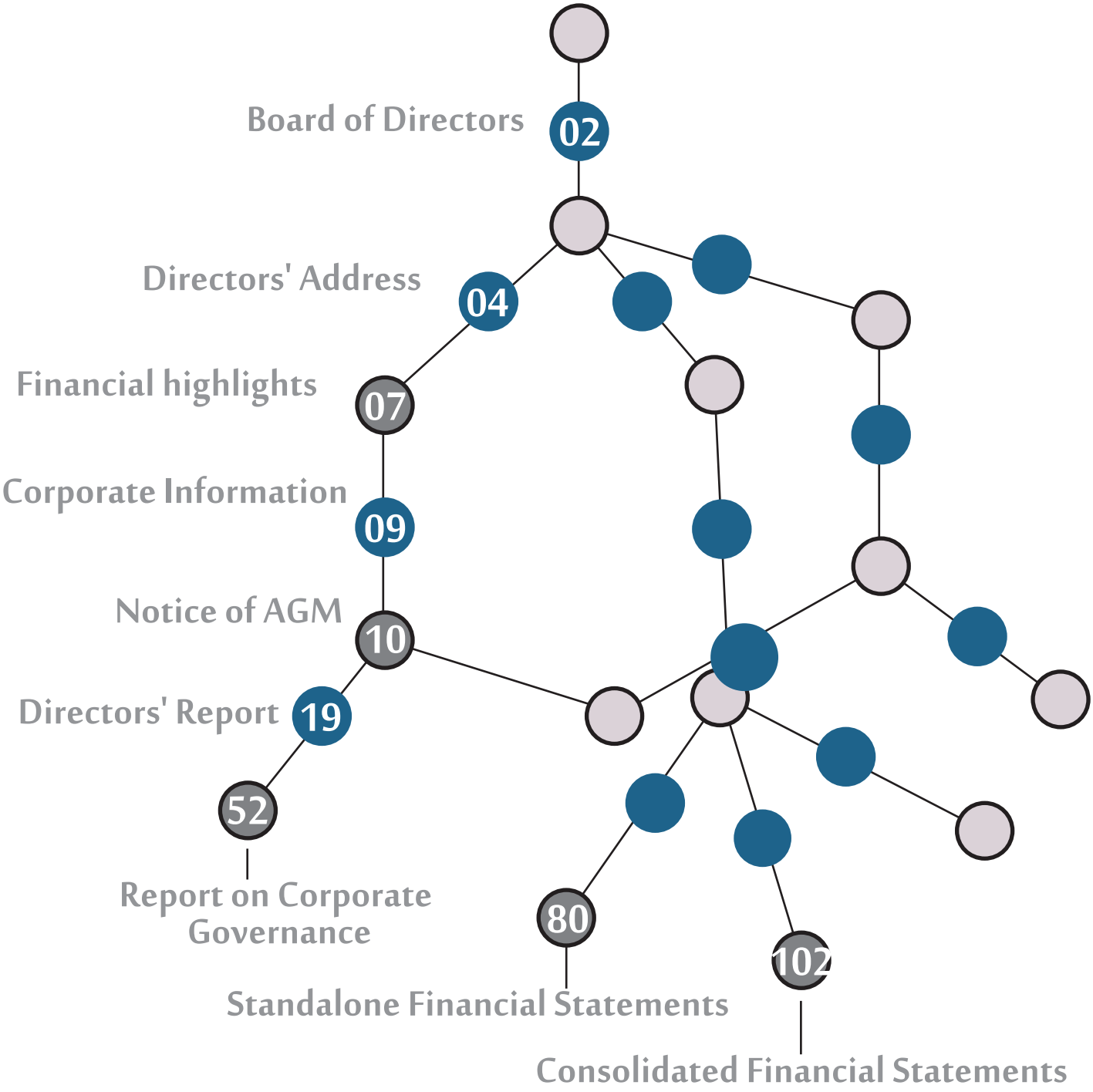
Health Check-up camp for children

Participation in Industrial Safety rally

Organizing Sports Events

ESIC Training for Employees

Contents



The Annual General Meeting will be held on Monday, September 26, 2016, at Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane– 421503 at 4:30 p.m. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

BOARD OF DIRECTORS

PRAVIN HERLEKAR
Chairman and Managing Director

OMKAR HERLEKAR
Whole Time Director

RISHIKESH HERLEKAR
Executive Director

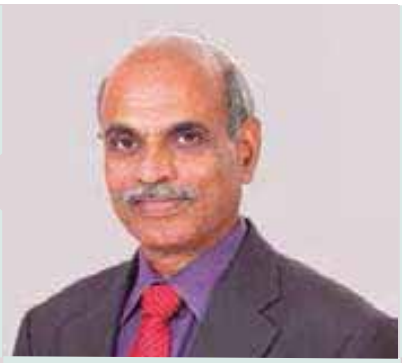
PRAKASH H. RAO
Executive Director

SUBHASH P. MALI
Executive Director
(Independent till May 23, 2016)

LAXMIKANT KABRA
Non-Executive &
Non-Independent Director

BOARD OF DIRECTORS

SUHAS RANE
Independent Director



VIKAS TELVEKAR
Independent Director

VIKAS GANESH GADRE
Independent Director

SITENDU SHARMA
Independent Director

SANJIVANI PATARE
Independent Director

SUBHASH GHALKE
Independent Director

"Geared to usher in new phase of stronger profitable growth"

Warm Greetings to you all,

This was yet another year of exciting innovations, converting challenges into opportunities and maintaining focus on operational efficiencies. I am happy to share with you that inspite of ongoing global macro-economic turbulences, your company has performed well during the year 2015-16.

As you are aware, your Company had embarked on the major capacity expansion to scale up for the existing product lines, launch of new molecules which have been developed in our own R&D lab and meeting certain regulatory requirements. For this, the Company spent around ₹ 180 crs. across all our Units including the wholly owned subsidiaries . This process has almost been completed and all our facilities have become operational, except Unit No.5 at Chiplun which has already received the consent from State's Environmental Department.

The Company does not envisage any further capex, except debottlenecking or maintenance capex as and when required. Though the capex incurred by the Company so far has burdened the Company in terms of its debt liabilities, we should look at this as a robust investment for creating an excellent infrastructure across all facilities of the Company which will enable us to reach a much higher level in the near future

As you are aware, in the past the Company faced a challenge with respect to its extended Working Capital cycle and the management was committed to bring it under control. Our efforts have borne fruits in the second consecutive year and the Working Capital cycle has come within a well controllable limit.

The Company's existing facilities are sufficient enough to maintain the trajectory of historical growth without any major capex. The Company also proposes to adopt a model based on contract manufacturing to get various new intermediates which are already developed in-house. Since this model will not be requiring any capital investment, we are optimistic that this will bring in better ROCE in near future.

The Company's all wholly owned subsidiaries have also maintained improving trend in their performances as is evident from performances of our major subsidiary – Lasa Laboratory Private Limited.

Our wholly owned subsidiary – Lasa Laboratory Private Limited demonstrated a very good growth in the segment it operates in, i.e. veterinary APIs. Veterinary APIs is a promising market with significant opportunities, in the domestic as well as in the international markets. This business is poised to grow further to new heights in very near future. Since the product lines of the parent Company and Lasa are altogether different and there are unlimited opportunities for growth in each sector, the Company has decided to opt for a merger-demerger scheme, wherein Lasa's operations will get demerged from the parent Company's business and Lasa Supergenerics Limited will emerge as an Independent Listed entity post the demerger. The detailed about this scheme are already approved by the Stock Exchanges and SEBI and the matter has now been submitted to Mumbai High Court. The details of this scheme are available on our site - www.omkarchemicals.com.

My Executive colleagues and I deeply value the involvement of all our distinguished Non-Executive Directors and Independent Directors for their critical inputs, valued suggestions and encouragement to the management in the operations of the Company. I am privileged to have them on the Board of our Company.

I also appreciate the contributions from every member of OSCL family and take this opportunity to thank all our shareholders, Banks, valued customers, Government Agencies, our suppliers and partners in business for their continuous support on the basis of which your Company looks forward for maintaining its robust growth at all times in future.

Yours Sincerely,
Pravin Herlekar
Chairman & Managing Director

"Focus on Process Innovation and High Quality Products"

Dear Shareholder,

The speciality chemical sector has been stealing the limelight over the past couple of years in India. This knowledge based sector gained prominence, with new emerging pollution norms across the globe especially China, making India the natural provider of speciality chemicals.

We at OSCL, are well equipped to take advantage of this opportunity. We understand that compliance with global pollution norms and offering high quality products is the way forward. For this, investment in a strong Research & Development (R&D) team is critical. R&D is the back bone of any speciality chemical company. The most important factor driving the success of the R&D is the team of scientists and researchers. We have a highly experienced team, focusing on process innovation and developing better quality products. Our aim is to make products that will enable us to reduce India's dependence on imports and make India self sufficient. At the same time, we continue to tap new geographies across the globe, offering a wide range of high value products.

Our well developed R&D has enabled continual product innovation. In our laboratories, we develop catalysts that are used in the manufacturing process of APIs and intermediates. This combined with backward integration process, where we make our own intermediates has led to higher yields and better profitability.

As on March 31 2016, the Company had filed 18 process patents for our proprietary catalysts with the Patents Office, Govt. of India. At the same time the Company also prepared 15 DMFs till date. Last year Lasa Laboratory Private Limited had obtained the Certificate of Suitability from European Directorate for the Quality of Medicines & Healthcare (EDQM), for selling one of its premium product. I would like to mention that not only did we increase on production but we have been able to do create a superior product as well. Also, Anthelmintic product, launched a year back has gained substantially in market share and we see this product giving us good returns in the future as well.

Our fungible manufacturing facilities at Chiplun, Urdhwa and Badlapur, backed by a strong R&D, have a total volumetric capacity of 5,250 MTPA. Our in-house, multi product manufacturing facilities that use a catalytic driven process, ensure better product and the ability to customize products as per our customers' needs.

Today, we have emerged as one of the leading speciality chemicals companies in India and are amongst the few players in India with a wide product with over 200 products manufactured in-house. We continue to be the only manufacturer of many speciality advance intermediates in India.

Our commitment to process innovation and superior product development, has led to strong customer relationships across the world. Today we export to 40 countries, a number that has continued to grow over the years. In fact, not only 40% of our customers are repeat customers but the top 30 customers contribute to less than 30% of our sales, giving us the confidence in our future growth opportunities.

Our target is to be one of the leading global speciality chemicals companies, with a strong focus on process innovation to develop high quality customized products. We will continue to tap new geographies, add new customers and increase our wallet share with existing customers by offering a wide suite of products.

I thank you all for your immense support and continued confidence in the management of our Company. I would also like to thank all our stakeholders – customers, employees, partners, shareholders, business associates and society at large, for their faith in us.

Yours Sincerely,
Omkar Herlekar
Whole Time Director

"Defining next phase of growth - High Growth Markets and Products"

Dear Shareholder,

It's my great pleasure to share with you our vision and the road map of Omkar Speciality Chemicals Limited for near future.

As you are aware, your Company is a prominent and an established player in the speciality chemicals sector. Though we are mainly engaged in niche pharma space, we also caters to other segments like glass and ceramics, poultry and veterinary nutrients, speciality coating as well as products for digital electronic applications.

On account of various issues being faced with respect to quality and regulatory fronts, Indian speciality chemical producers are placed in a favourable situation in domestic as well as global markets. This fact brightens the prospects for your Company since it is already an established player in this segment and enjoys excellent goodwill with the valued and reputed customers.

Your Company will make every effort to capitalize on this fact and with the help of its strong R&D back-up, will try to achieve substantial gains.

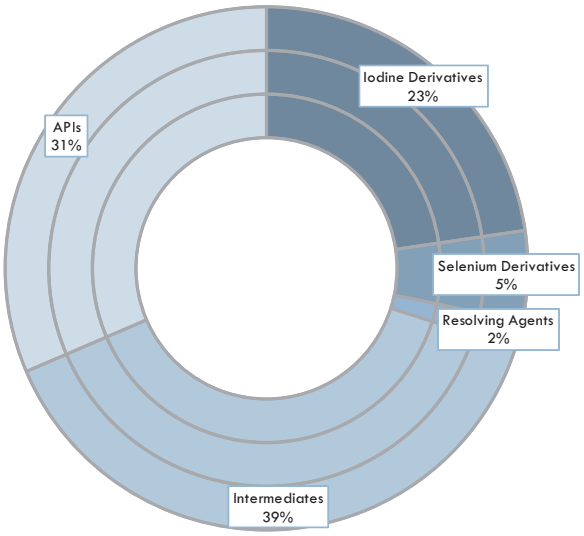
The Company has, after the recent expansions, adequate capacities to manufacture the existing range of products. On the basis of its diverse customer base, the Company proposes to venture into manufacture of select APIs on toll manufacturing model without going into any capital investment. This will be an extension of business segment for the Company as well as value addition in the operations, which will ultimately benefit the investors and stake holders. The management has already initiated steps in this regard.

I, once again, appreciate your support and assure you that, we will strive for value additions from all corners.

Yours Sincerely,
Rishikesh Herlekar
Executive Director

CONSOLIDATED FINANCIAL HIGHLIGHTS

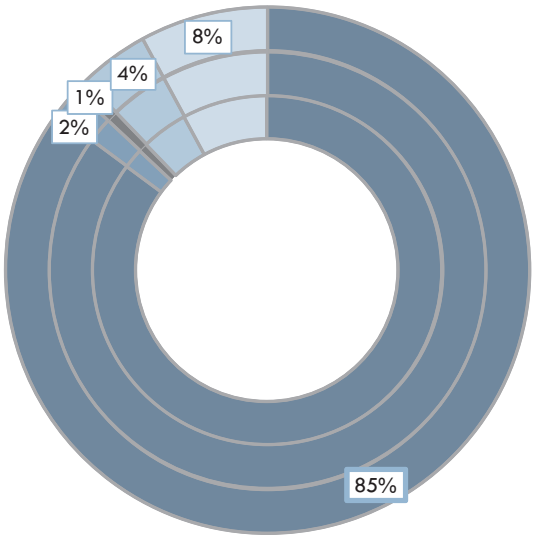
Segment wise sales



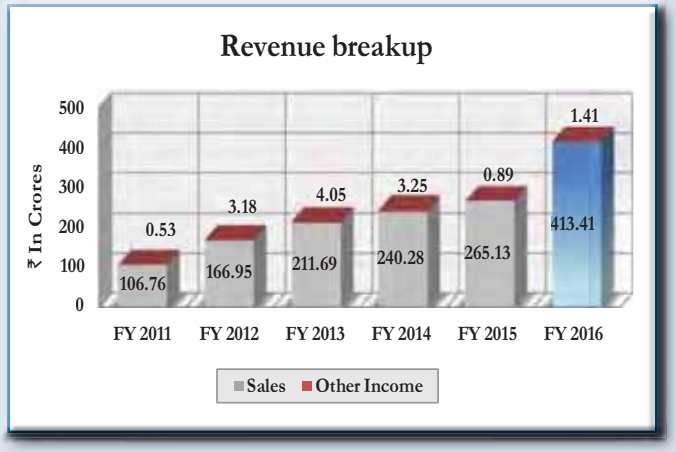
- Iodine Derivatives
- Selenium Derivatives
- Resolving Agents
- Intermediates
- APIs

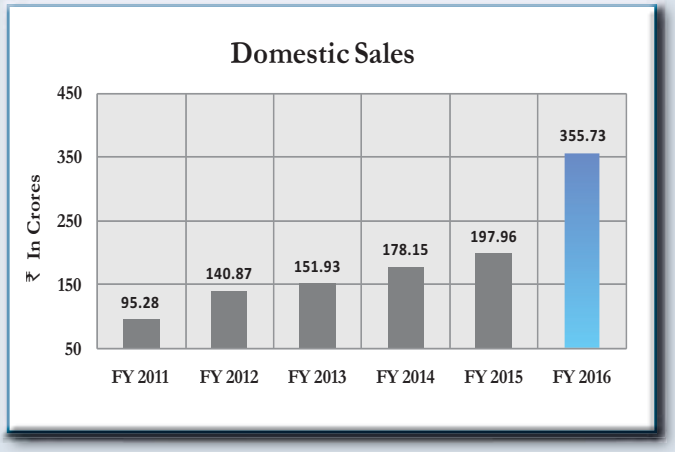
Sales - Location wise

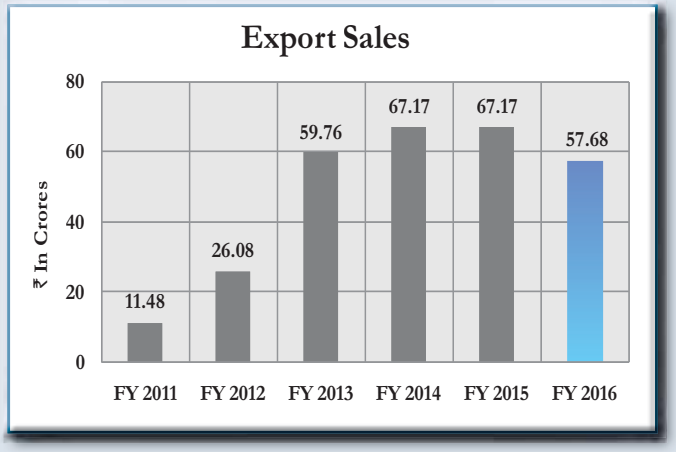
- Domestic
- North America
- Other Countries
- Europe
- Asia

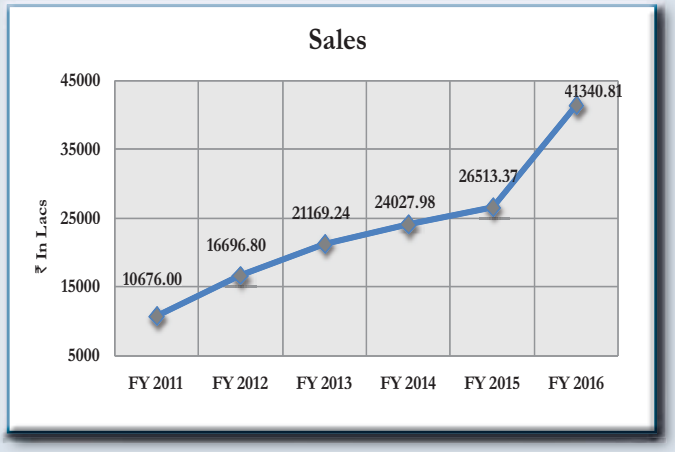


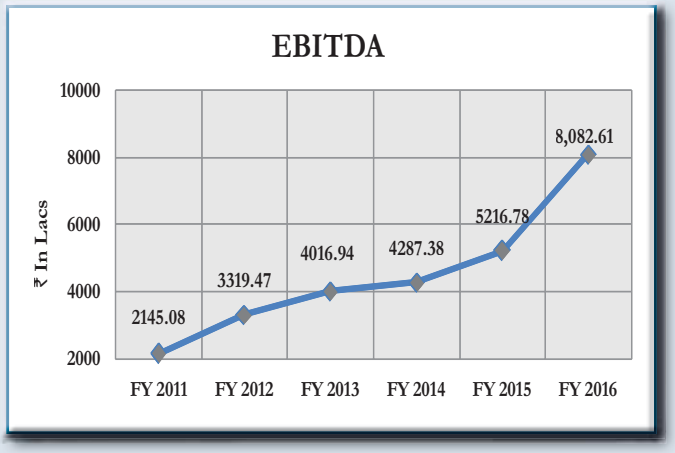
CONSOLIDATED FINANCIAL HIGHLIGHTS

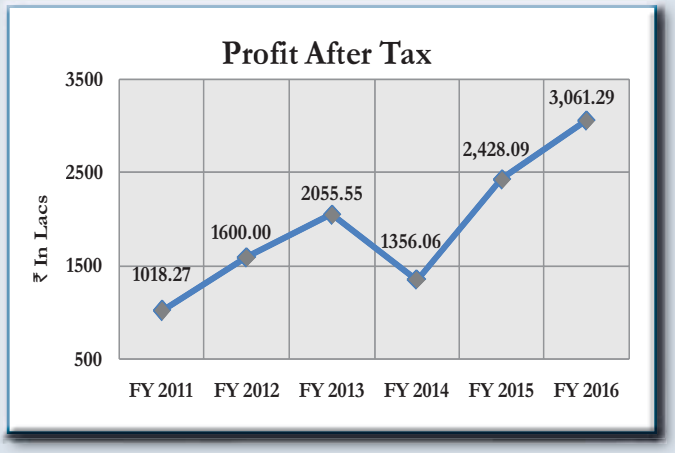












CORPORATE INFORMATION

KEY MANAGERIAL PERSONNEL

CHAIRMAN & MANAGING DIRECTOR
Pravin S. Herlekar

CHIEF FINANCIAL OFFICER
Mr. Pravin Agrawal *(w.e.f. December 12, 2015)*
Mr. Hiral Patel *(till December 12, 2015)*

WHOLE TIME DIRECTOR
Omkar P. Herlekar

COMPANY SECRETARY
CS Sunny Pagare *(w.e.f. December 12, 2015)*
CS Nirav Momaya *(till October 23, 2015)*

EXECUTIVE DIRECTOR
Rishikesh P. Herlekar *(w.e.f. July 17, 2015)*
Prakash H. Rao *(w.e.f. July 17, 2015)*
Subhash P. Mali *(w.e.f. May 23, 2016)*

COMMITTEES OF BOARD OF DIRECTORS

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
CA Sitendu K. Sharma *(Chairman)*	Mr. Subhash N. Ghalke *(Chairman)*	Adv. Sanjivani S. Patare *(Chairperson)*	Mr. Vikas G. Gadre *(Chairman)*
Prof. (Dr.) Suhas M. Rane	Prof. (Dr.) Suhas M. Rane	Prof. (Dr.) Suhas M. Rane	Prof. (Dr.) Suhas M. Rane
Mr. Vikas G. Gadre	Dr. Vikas N. Telvekar	CA Sitendu K. Sharma	Mr. Pravin S. Herlekar
CA Laxmikant R. Kabra	Mr. Vikas G. Gadre	Mr. Omkar P. Herlekar	CA Laxmikant R. Kabra
			Mr. Prakash H. Rao

OTHER INFORMATION

Statutory Auditors	Cost Auditors	Secretarial Auditors	Internal Auditors
M/s J.P.J Associates Chartered Accountants Shop No. 16, Godavari CHS, Shantivan, Borivali (E), Mumbai– 400 066	M/s N. Ritesh & Associates Cost Accountants 602, 6th Floor, Silver Matru Prabha, Cama lane, Kirol Road, Ghatkopar (W), Mumbai-400 086	M/s Nilesh A Pradhan & Co. Practicing Company Secretaries B-201, Pratik Industrial Estate, Mulund Goregaon Link Road, Nahur (W), Mumbai-400 078	M/s Dipika Patel & Associates Chartered Accountants Rukshmani Bunglow, Devdaya Park, Thane- 400 606

Corporate Identification Number (CIN)	Registered and Corporate Office	Registrar and Share Transfer Agent	Bankers
L24110MH2005PLC151589	B-34, M.I.D.C., Badlapur (E) Dist: Thane, Maharashtra. Tel No. +91(0251) 2690651,2697340/48/49 Fax: +91(0251) 2691572, 2697347	M/s. Bigshare Services Private Limited E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai– 400 072	Bank of Baroda Citi Bank N.A. Axis Bank Limited HDFC Bank Limited

CONTACT DETAILS

Tel No. +91 – 0251 – 2690651,2697340/ 48/ 49
Fax: +91 – 0251 – 2691572/ 2697347
E-mail: info@omkarchemicals.com

WEBSITE

www.omkarchemicals.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of Omkar Speciality Chemicals Limited will be held on Monday, the 26th Day of September, 2016 at 04:30 p.m. (IST) 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:
   a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2016 together with the reports of Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2016.
3. To appoint a Director in place of Mr. Omkar P. Herlekar (DIN: 01587154), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of CA Laxmikant R. Kabra (DIN: 00061346), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
5. Ratification of appointment of Auditors:

   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 Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and The Companies (Audit and Auditors) Rules, 2014 (Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in terms of the resolution passed by the members at the Annual General Meeting (AGM) held on August 9, 2014, the appointment of M/s. J.P.J. Associates, Chartered Accountants, Mumbai (Firm Registration. No. 113012W), as the Statutory Auditors of the Company to hold office till the conclusion of the 12th Annual General Meeting to be held in the calendar year 2017, as approved by the Board of Directors on the recommendation of the Audit Committee, be and is hereby ratified and the Board of Directors be and is hereby authorised to fix the remuneration payable to the Auditors for the Financial Year 2016-17, as may be recommended by the Audit Committee in consultation with Auditors.

   RESOLVED FURTHER THAT the Board of Directors and/ or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS

6. Appointment of Mr. Subhash P. Mali (DIN: 00034769) 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 in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for appointment of Mr. Subhash P. Mali (DIN: 00034769) as the Executive Director of the Company, w.e.f. May 23, 2016 for a period of 3 (Three) years i.e. upto May 22, 2019 as approved by the Board of Directors ("Board") in its meeting held on May 23, 2016 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting;

   RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites, and designation in such manner as may be agreed between the Board and Mr. Subhash P. Mali, within and in accordance with and subject to the limits prescribed in Schedule V to the Act, and if necessary, as may be stipulated by the Central Government, subject to the same not exceeding the limits specified under Schedule V to the Act.

   RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any Financial Year, during the currency of the term of Mr. Subhash Mali as an Executive Director, the Company has no profits or its profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as "Minimum Remuneration" in the respective Financial Year(s) not withstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V to the Act, subject to approval of the members or Central Government, if required.

RESOLVED FURTHER THAT the Board of Directors and/ or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Ratification of remuneration of Cost Auditors:

   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 all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for the payment of remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only) plus applicable Service Tax and reimbursement of out of pocket expenses to M/s. N. Ritesh & Associates, Cost Accountants, (Firm Registration No. 100675) appointed by the Board of Directors of the Company, on the recommendation of Audit Committee for conducting the audit of cost records of the Company for the Financial Year ending on March 31, 2017.

   RESOLVED FURTHER THAT the Board of Directors and/or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:
B-34, M.I.D.C., 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

Date: May 23, 2016
Place: Badlapur

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

Sd/-
Sunny Pagare
Company Secretary & Compliance Officer

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company. Provided that a member holding more than ten (10) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

   In order that the appointment of a proxy is effective, the instrument appointing a proxy must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of meeting. Proxies submitted on behalf of Limited Companies, Societies etc. must be supported by appropriate resolutions/ authority, as applicable.

2. 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.

3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (herein after referred to as "Act") in respect of the Special Business under Item Nos. 6 & 7 to be transacted at the 11th Annual General Meeting is annexed hereto and forms a part of the Notice.

4. Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations, 2015"), a statement giving additional information in respect of all Directors seeking appointments/ re-appointments, in respect of Resolutions at Items No. 3, 4 & 6 is annexed herewith.

5. Corporate members intending to depute their authorised representatives to attend the Meeting are requested to send to the Company, a duly Certified True Copy of the Board Resolution under Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote on their behalf at the Meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2016 to September 26, 2016 (both days inclusive) for the purpose of payment of dividend, if approved, for the Financial Year ended March 31, 2016 at the AGM.

7. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three (3) days of notice in writing is given to the Company.

8. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided National Electronic Clearing Service (NECS), National Electronic Funds Transfer (NEFT), etc. facilities to the members for the remittance of dividend. For this purpose, the details such as, name of the bank, name of the branch, 9-digit MICR code, 11-digit IFS code (as appearing on the cheque), account type, account number etc. are to be furnished/ updated to your Depository Participants ("DPs") if the shares are in electronic form or to the Registrar & Transfer Agents ("RTA"), Bigshare Services Private Limited, if they are held in physical form. Members are requested to send all communications relating to shares to Bigshare Services Private Limited, RTA, at the following address:-

By Post/ Courier/ Hand Delivery :- **M/s. Bigshare Services Private Limited**
Unit: Omkar Speciality Chemicals Limited
E2/3, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (East), Mumbai-400 072.

9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar and Share Transfer Agents for assistance in this regard.

10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.

11. Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. Members holding shares in physical form are requested to file their nomination with the Company whilst those members holding shares in dematerialized mode are requested to file their nomination with their Depository Participants ("DPs").

12. Members/ Proxies are requested to bring their Attendance Slips sent herewith, duly filled in for attending the meeting, along with their copy of Annual Report to the Meeting.

13. In terms of the applicable provisions of Section 205A and 205C the Companies Act, 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven (7) years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Those members who have so far not encashed their dividend warrants pertaining to below mentioned Financial Years are requested to approach the company for the payment thereof, as the same will be transferred to Investor Education and Protection Fund (IEPF) on respective due dates mentioned below. Kindly note that after such date, the members will have to claim such dividend from such Investor Education and Protection Fund.

Year	Date of Declaration of Dividend	Dividend Per Share (in ₹)	Due date of transfer of Dividend to IEPF
2010- 11	September 24, 2011	1.00	October 22, 2018
2011- 12	August 4, 2012	1.25	September 1, 2019
2012- 13	August 13, 2013	1.50	September 10, 2020
2013- 14	August 9, 2014	1.50	October 6, 2021
2014- 15	September 26, 2015	1.50	October 24, 2022

The Ministry of Corporate Affairs ("MCA") on May 10, 2012 notified the Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012 ("IEPF Rules") which is applicable to the Company. The objective of IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. The details of unclaimed dividend as on September 26, 2015 i.e. date of the last Annual General Meeting are placed under "Investors Section" on the Company's website (www.omkarchemicals.com). The information is also available on the website of Investor Education and Protection Fund (www.iepf.gov.in).

14. 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 address to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details and email address to the Company or Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company.

    Company encourages paperless communication as a contribution to greener environment and therefore, we request the shareholders/ investors to forward their queries pertaining to Annual Accounts and other Sections of Annual Report by e-mail to investor@omkarchemicals.com.

    Members holding shares in physical form are requested to register/ update their e-mail address with the Bigshare Services Private Limited, the Registrars & Share Transfer Agents of the Company and members holding shares in electronic form are requested to register/ update their e-mail address with their respective Depository Participants in case the same is still not registered.

    If there is any change in the e-mail address already registered with RTA, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form. Members are further requested to note that they shall be entitled to be furnished free of cost with a physical copy of such documents sent by email upon receipt of a requisition from such members.

15. Electronic copy of the Annual Report for Financial Year 2015- 16, Notice of this Annual General Meeting inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form are being sent to all members whose e-mail addresses are registered with the RTA/Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report for 2015- 16 are being sent in the permitted mode.

    Members may also note that the Notice of this Annual General Meeting and the Annual Report for the Financial Year 2015-16 will also be available on the Company's website (www.omkarchemicals.com) for their download.

16. All the documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.

17. A route map showing directions to reach to the venue of the 11th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards on General Meeting (SS-2).

18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, Auditor's Report and Secretarial Audit Report shall be available for inspection in physical form at the AGM.

VOTING THROUGH ELECTRONIC MODE:

19. In compliance with the provisions of Section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), the Company is pleased to provide to its members, facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The Company has engaged the services of National Securities Depository Limited (NSDL) as authorized agency to provide e-voting facility. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting"). It is clarified that it is not mandatory for a member to vote using remote e-voting facility. Resolutions passed by the members through remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting ("AGM/ Meeting").

20. The facility for voting through Polling Paper will be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through Polling Paper. The detailed instructions for e-voting are given below.

21. The Company has appointed CS Nilesh A. Pradhan, of M/s Nilesh A. Pradhan & Co, Practicing Company Secretary (Membership No. FCS 5445), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. He has communicated his willingness to be appointed as the Scrutinizer.

22. The members who have cast their votes by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.

23. 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.

24. The remote e-voting period will commence on Friday, September 23, 2016 (9.00 a.m.) and will end on Sunday, September 25, 2016 (5:00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 19, 2016, may cast their votes by remote e-voting. The remote e-voting module will be disabled for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.

    The voting rights of members shall be in proportion of the paid-up equity share capital of the Company on the cut-off date.

    Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a member on the date of the Book Closure as aforesaid but has ceased to be a member on the cut-off date, he/ she shall not be entitled to vote. Such person should treat this notice for information purpose only.

    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 of the Company and submit, not later than two (2) days of conclusion of the meeting, a consolidated Scrutinizer's Report to the Chairman or in his absence, any other Director so authorized in this behalf, who shall counter sign the same. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.omkarchemicals.com), the website of NSDL (www.evoting.nsdl.com) and the Notice Board of the Company at its Registered Office immediately after the declaration of result by the Chairman or in his absence, any other Director so authorized in this behalf. 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.

25. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting. i.e. September 26, 2016.

26. 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.

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 investor@omkarchemicals.com, with a copy marked to evoting@nsdl.co.in.

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 Sr. No. 2 to Sr. No. 11 above, to cast vote.

Registered Office:
B-34, M.I.D.C., 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

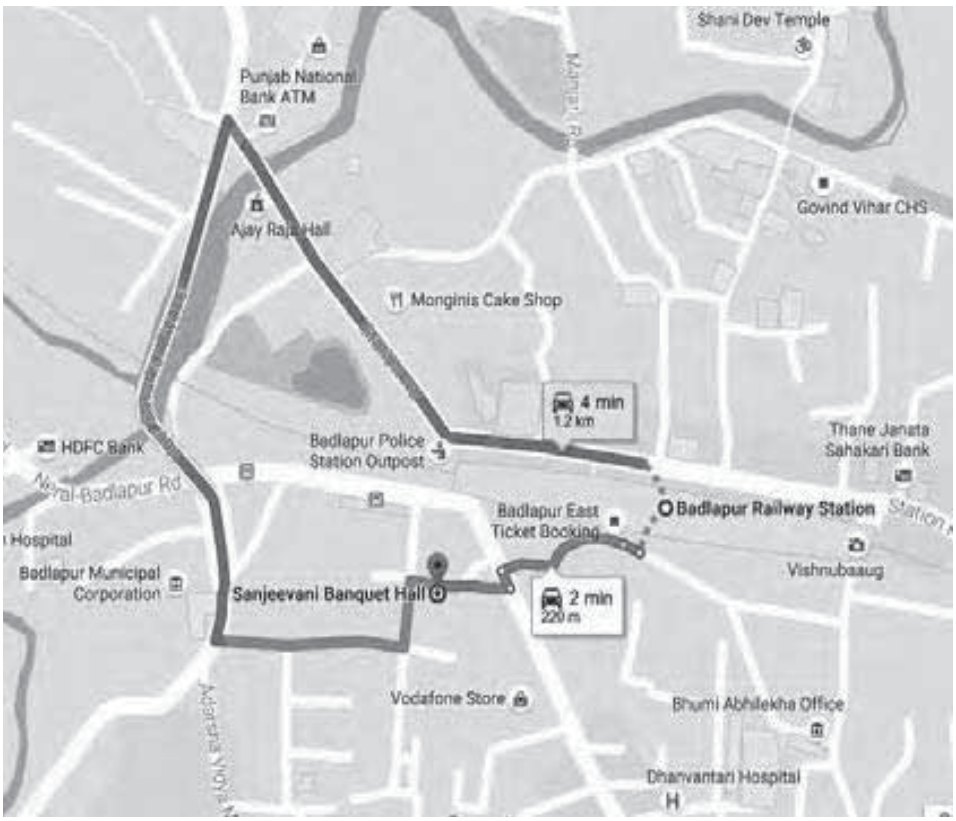
By Order of the Board of Directors
For Omkar Speciality Chemicals Limited

Sd/-
Sunny Pagare
Company Secretary & Compliance Officer

Date: May 23, 2016
Place: Badlapur

ROUTE MAP - AGM

Direction for the 11th Annual General Meeting of Omkar Speciality Chemicals Limited to be held at Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane– 421503 on Monday, 26th day of September, 2016 at 04:30 p.m.



ANNEXURE TO THE NOTICE

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT

[In pursuance of Regulation 36(3) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2]

Name of Director	Mr. Omkar P. Herlekar	CA Laxmikant R. Kabra	Mr. Subhash P. Mali
Director Identification No.	01587154	00061346	00034769
Date of Birth	March 13, 1981	March 9, 1969	January 29, 1953
Date of appointment on Board	June 1, 2007	March 26, 2015	March 25, 2010
Nationality	Indian	Indian	Indian
Qualifications	He is a Master of Science (By Research) in Chemistry from Mumbai University.	He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and also a Commerce Graduate from Mumbai University.	He is a Bachelor of Chemical Engineering from Institute of Chemical Technology, University of Mumbai.
Expertise in specific functional areas	His key areas of expertise have been Business Strategy, Business Development, Processes and Systems, and Product Development.	He has wide expertise of over 24 years of experience in the fields of Income Tax, Company Law, Banking, Finance, Audit, etc.	He has an extensive experience of over 3 decades in API Research & Development and Manufacturing Industry.
List of Directorships held in Companies*	1) Omkar Speciality Chemicals Limited 2) Lasa Supergenerics Limited 3) Rishichem Research Limited	1) Omkar Speciality Chemicals Limited 2) Amarnath Securities Limited 3) Narendra Investments (Delhi) Limited	1) Omkar Speciality Chemicals Limited
Memberships/ Chairmanships in Committees across Public Companies *	1) Member of Stakeholders' Relationships Committee in Omkar Speciality Chemicals Limited	1) Member of Audit Committee in Omkar Speciality Chemicals Limited 2) Member of Audit Committee in Amarnath Securities Limited 3) Chairman of Stakeholders' Relationships Committee in Amarnath Securities Limited 4) Member of Audit Committee in Narendra Investments (Delhi) Limited	Nil
Number of shares held (As on March 31, 2016)	8,84,483 Equity Shares	35,500 Equity Shares	Nil
Relationships between the Directors inter-se	Son of Mr. Pravin S. Herlekar and Mrs. Anjali P. Herlekar and brother of Mr. Rishikesh P. Herlekar.	None	None

**As per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of Chairmanship/ Membership of Audit Committee and Stakeholders' Relationship Committee are provided. Directorships in private companies, Section 8 companies, foreign companies, membership in governing councils, chambers and other bodies, partnership in firms etc., are not provided.*

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 6:

Mr. Subhash P. Mali has been the Independent Director of the Company since March 25, 2016. Based on the recommendation of the Nomination and Remuneration Committee duly approved by the resolution passed at its meeting, the Board of Directors have re-designated Mr. Subhash P. Mali as the Executive Director of the Company w.e.f. May 23, 2016, for a period of three years, subject to the approval of the members in General Meeting upon the terms and conditions set out in the Agreement to be entered into by the Company with him. The said agreement, inter-alia, contains the following material terms and conditions:

1) The Salary break-up shall be as given below:

SALARY BREAKUP	(Amount in ₹)
Basic Salary	35,000
HRA	14,000
Conveyance	800
Mediclaim	1,250
Leave Travel Allowance	16,000
Other Allowance	82,950
Monthly Gross	1,50,000
Employer PF (12%)	0
Employer ESIC (4.75%)	0
Monthly CTC	1,50,000
Annual CTC	18,00,000
NET CALCULATION	
Monthly Gross	1,50,000
Less: Employee PF (12%)	0
Less: Employee ESIC (1.75%)	0
Less: Professional Tax	200
Net in Hand(Subject to TDS on salary)	1,49,800

2) Commission: Commission shall be 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: Other benefits shall be given 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: Three (3) years beginning from May 23, 2016 ending on May 22, 2019;

7) The appointment may be terminated by either party by giving three (3) months' notice in writing of such termination or as may be mutually agreed between the parties;

8) Mr. Subhash P. Mali 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 1% of the Net Profits of the Company computed as per the provisions of Section 198 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Rules made thereunder.

10) Minimum Remuneration: Notwithstanding anything herein above stated, where in any Financial Year closing on or after March 31, 2017, during the tenure of Mr. Subhash P. Mali as Executive Director of the Company, the Company incurs any loss or its profits are inadequate, the Company shall pay to Mr. Subhash P. Mali, 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. Subhash P. Mali as an Executive Director for the period of three years commencing from May 23, 2016 till May 22, 2019 and the remuneration payable to him during such tenure.

Mr. Subhash P. Mali is interested and concerned in the Resolution mentioned at Item No.6 of the Notice. Other than Mr. Mali, none of the Directors or Key Managerial Personnel of the Company or their relatives are , in any way, concerned or interested in the Resolution. Mr. Mali is not related to any other Director of the Company.

Your Board, thus, recommends the said resolution for your approval.

Item No. 7:

The Company is required to have its costs records audited by a Cost Accountant in practice. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. Ritesh & Associates, Cost Accountants, (Firm Registration No. 100675), to conduct the audit of the cost records of the Company for the Financial Year 2016-17 on remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only) plus applicable Service Tax and reimbursement of out of pocket expenses incurred by the Cost Auditors in connection with the said audit.

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 is required to be approved by the shareholders of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for approval/ ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2017.

None of the Directors or Key Managerial Personnel of the Company, and their relatives are in anyway, concerned or interested, financially or otherwise, in the said resolution.

Your Board, thus, recommends the said resolution for your approval.

Registered Office:
B-34, M.I.D.C., 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

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

Sd/-
Sunny Pagare
Company Secretary & Compliance Officer

Date: May 23, 2016
Place: Badlapur

DIRECTORS' REPORT

TO THE MEMBERS OF
OMKAR SPECIALITY CHEMICALS LIMITED

Your Directors are pleased to present their Eleventh Annual Report on business and operations of your Company together with Audited Financial Statements for the Financial Year ended on March 31, 2016. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL HIGHLIGHTS: (₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	**2015-16**	2014-15
Total Revenue	**30,891.23**	19,822.33	**41,481.96**	26,603.12
Total Expenditure	**27,554.79**	17,777.39	**36,198.65**	23,777.63
Profit Before Tax	**3,336.44**	2,044.94	**5,236.63**	2,825.49
Tax Expenses	**1,115.05**	251.48	**2,175.33**	397.40
Profit After Tax	**2,221.39**	1,793.46	**3,061.29**	2,428.09
Balance in Profit & Loss Account brought forward from Previous Year	**6,035.61**	4,753.28	**6,500.83**	4,583.87
Appropriations:				
a) Proposed Dividend	**308.67**	308.67	**308.67**	308.67
b) Tax on Dividend	**62 .84**	52.46	**62.84**	52.46
Transfer to General Reserve	**-**	150.00	**-**	150.00
Surplus carried to the next year's account	**7,885.47**	6,035.61	**9,190.62**	6,500.83

PERFORMANCE REVIEW:

- **Income**

Consolidated Income, comprising Revenue from Operations (Net) and Other Income for the year was ₹ 41,481.96 Lakhs as compared to ₹ 26,603.12 Lakhs in the previous year. On the standalone basis, your Company's performance in the current Financial Year, in terms of Total Income stood at ₹ 30,891.23 Lakhs as compared to ₹ 19,822.33 Lakhs in the previous year.

- **Profit Before Tax**

Consolidated profit Before Tax for the year was ₹ 5,236.63 Lakhs as against ₹ 2,825.49 Lakhs in the previous year. On the standalone basis, your Company's Profit Before Tax for the current year was ₹ 3,336.44 Lakhs as against ₹ 2,044.94 Lakhs in the previous year.

- **Profit After Tax**

Consolidated Profit After Tax for the year was ₹ 3,061.29 Lakhs as against ₹ 2,428.09 Lakhs in the previous year. On the standalone basis, your Company's Profit After Tax for the current year was ₹ 2,221.39 Lakhs as against ₹ 1,793.46 Lakhs in the previous year.

The Company's performance has been discussed in detail in 'Management Discussion & Analysis Report'.

SHARE CAPITAL:

The movement of Equity Capital is as under:

Particulars	No. of Equity Shares
Equity Capital as on April 1, 2015	2,05,78,004
Increase/ Decrease during the year	NIL
Equity Capital as on March 31, 2016	2,05,78,004

Your Company has only one class of Equity Shares and it has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 ("Act") in respect of voting rights not exercised directly by the employees or Key Managerial Personnel of the Company as the provisions of the Section are not applicable.

DIVIDEND:

The Board, in its meeting held on May 23, 2016, has recommended Dividend of ₹ 1.50 per share (15%) on the share capital of 2,05,78,004 Equity Shares of ₹ 10/- each (previous year ₹ 1.50 per share i.e. 15%). The proposal is subject to approval of the shareholders being obtained at the ensuing Annual General Meeting. The Dividend on Equity Shares, if approved by the members would involve a total outgo of ₹ 371.51 Lakhs, including Dividend Distribution Tax of ₹ 62.84 Lakhs as against ₹ 361.13 Lakhs, including Dividend Distribution Tax of ₹ 52.46 Lakhs in the previous year.

TRANSFER TO RESERVES:

Your Company do not propose to transfer to General Reserve out of the amount available for appropriations and an amount of ₹ 2689.78 Lakhs is proposed to be retained in the Profit and Loss Account.

FINANCIAL LIQUIDITY:

As at March 31 2016, your Company had liquid assets of ₹ 1028.77 Lakhs as against ₹ 1553.98 Lakhs at the previous year end on consolidated basis. Your company maintains sufficient cash reserves to meet its operations and strategic objectives.

DEPOSITS:

Your Company has not accepted any deposits from public within the purview of Section 73 & 74 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 during this Financial Year and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date. The Company has no deposit which is not in compliance with the provisions of Chapter V of the Act and as the Companies (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Securities And Exchange Board Of India Listing Regulations, 2015") are given in the notes to the Financial Statements.

FINANCIAL STATEMENTS:

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditors' Report thereon form part of this Annual Report. The Consolidated Audited Annual Financial Statements are prepared as per Section 129(3) read with Schedule III of the Act, Accounting Standards (AS-21) issued by the Institute of Chartered Accountants of India as notified by the Ministry of Corporate Affairs and Regulation 33 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. Accordingly, the previous year's figures have also been regrouped/ restated wherever necessary to conform to the classification of the current year.

Pursuant to provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 , a Statement containing salient features of the Financial Statements of the Company's Subsidiaries/ Associate Companies/ Joint Ventures is given in Form AOC-1 (Annexure A) and forms an integral part of this Report. Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements and separate audited accounts in respect of subsidiaries, are available on the website of the Company and also the Registered Offices of the respective companies.

RATINGS:

Credit Ratings of your company has been upgraded from CRISIL BB+/ Stable to BWR BBB for fund based bank borrowings & CRISIL A4+ to BWR A3 for non-fund based facilities.

MATERIAL CHANGES AND COMMITMENTS:

Except as disclosed elsewhere in the Report, there have been no material changes in commitment between the end of Financial Year to which this financial statements relates on the date of this Report.

SCHEME OF ARRANGEMENT:

The Board of Directors of the Company in their meeting held on March 28, 2016, after considering the recommendations of the Audit Committee, approved the Composite Scheme of Arrangement under Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956, as amended and the corresponding provisions of the Companies Act, 2013 to the extent notified or to be notified including any statutory modifications(s) or re-enactment(s) thereof and SEBI Listing Regulations, 2015, subject to necessary approvals of the appropriate authorities including Stock Exchange(s), SEBI and respective shareholders & creditors of the companies involved in the Scheme and sanction of the Hon'ble High Court of Judicature at Mumbai. The appointed date of

the Composite Scheme is April 1, 2015.

In terms of Regulation 37 of SEBI Listing Regulations, 2015, the Company has received Observation Letters, dated June 2, 2016 from National Stock Exchange of India Limited and June 6, 2016 from BSE Limited, to the Composite Scheme of Arrangement, conveying their approval for filing the Scheme with the Hon'ble High Court.

The details in respect of Scheme of Arrangement is included in the Management Discussion & Analysis, which forms part of this Report. Details of the Scheme have been uploaded on the Company's website (www.omkarchemicals.com).

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.

INTERNAL FINANCIAL CONTROLS:

The details in respect of internal financial controls and their adequacy are included in the Management Discussion & Analysis, which forms part of this Report.

SUBSIDIARY COMPANIES:

The Company has 5 subsidiaries as on March 31, 2016. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries.

A detailed discussion on the subsidiaries of the Company namely, Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited, Desh Chemicals Private Limited and Lasa Supergenerics Limited, have been dealt in the Management Discussion and Analysis, which forms part of this Report.

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

The particulars as prescribed under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo is provided in Annexure B, which forms part of this Report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is included in this report as Annexure C and forms an integral part of the Directors' Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors had re-appointed Mr. Pravin S. Herlekar (DIN: 00525610) as Chairman and Managing Director and Mr. Omkar P. Herlekar (DIN: 01587154) as Whole Time Director for a further period of five (5) years commencing from April 1, 2015 till March 31, 2020. The members at the 10th Annual General Meeting (AGM) held on September 26, 2015 had approved the said re-appointments.

Further, the Board of Directors had appointed CA Laxmikant R. Kabra (DIN: 00061346), CA Sitendu K. Sharma (DIN: 01956423), Mr. Vikas G. Gadre (DIN: 06746818), Mr. Subhash N. Ghalke (DIN: 07239171), Adv. Sanjivani S. Patare (DIN: 07239170), Mr. Rishikesh P. Herlekar (DIN: 05240009) and Mr. Prakash H. Rao (DIN: 07239167) as Additional Directors of the Company. The members at the 10th Annual General Meeting (AGM) held on September 26, 2015 had approved their appointments. Whereas, Prof. (Dr.) Suhas M. Rane (DIN: 03126514), Mr. Subhash P. Mali (DIN: 00034769) and Dr. Vikas N. Telvekar (DIN: 03123785) were appointed as Independent Directors at the 9th Annual General Meeting held on August 9, 2014, for a term of 5 years ending on August 8, 2019.

As on March 31, 2016, the Board comprised of 13 (Thirteen) Directors out of which 9 (Nine) were Non-Executive Directors of which 7 (Seven) Directors were Independent Directors. Pursuant to the Regulation 17(1)(b) of the SEBI Listing Regulations, 2015 every listed company shall have at least half of its total strength of the Board of Directors as Independent Directors. Based on the present composition of the Board of Directors, your Company complies with this requirement.

- **Inductions:**

On the recommendations of the Nomination and Remuneration Committee, Mr. Subhash P. Mali (DIN: 00034769) has been re-designated as Executive Director on the Board of the Company for a period of 3 years w.e.f. May 23, 2016. A separate proposal

seeking approval of the members for the appointment of Mr. Subhash P. Mali as an Executive Director of your Company has been incorporated in the Notice of the ensuing Annual General Meeting. The terms of his appointment are given in the Explanatory Statement to the Notice of Annual General Meeting.

In the opinion of your Directors, Mr. Subhash P. Mali has the requisite qualifications and experience which would be useful to your Company and would enable him to contribute effectively in his capacity as Executive Director of your Company.

It is, therefore, considered prudent that your Company should continue to avail the services of Mr. Subhash P. Mali and the Board recommends that the proposed resolution relating to the appointment of Mr. Subhash P. Mali as the Executive Director of your Company be approved.

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee also appointed:

- Mr. Pravin J. Agrawal as the Chief Financial Officer and Chief Investor Relations Officer w.e.f. December 12, 2015
- CS Sunny D. Pagare as Company Secretary and Compliance Officer w.e.f. December 12, 2015

- **Re-appointments:**

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Omkar P. Herlekar (DIN: 01587154) and CA Laxmikant R. Kabra (DIN: 00061346) are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. Mr. Omkar P. Herlekar and CA Laxmikant R. Kabra have confirmed their respective eligibility and willingness to accept the office of the Directors of your Company, if confirmed by the members at the ensuing Annual General Meeting. Items seeking your approval on the above re-appointments are included in the Notice convening Annual General Meeting.

In the opinion of your Directors, Mr. Omkar P. Herlekar and CA Laxmikant R. Kabra have requisite qualifications and experience and therefore, your Directors recommend that the proposed resolutions relating to their re-appointment be passed.

- **Resignations:**

Mrs. Anjali P. Herlekar resigned as Non-Executive Director of the Company w.e.f. May 23, 2016.

Mr. Hiral G. Patel has relinquished his position Chief Financial Officer and Chief Investor Relations Officer of the company w.e.f. December 12, 2015.

Mr. Nirav K. Momaya resigned as Company Secretary and Compliance Officer of the Company w.e.f. October 23, 2015.

The Board placed on record its appreciation for the services rendered by them during their tenure with the Company.

DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

ANNUAL EVALUATION:

The Act states that formal annual evaluation needs to be carried out by the Board of its own performance and that of its committees and individual directors. Schedule IV (Code for Independent Directors) of the Act states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

Your Company had carried out an annual evaluation of performance of its Board and its Committees and individual Directors. The evaluation process has been explained in detail in the Corporate Governance Report, which forms a part of this Report.

BOARD MEETINGS HELD DURING THE YEAR:

During the year under review, 9 (Nine) meetings of the Board of Directors were held as required under the Act and SEBI Listing Regulations, 2015. The details pertaining to the composition, terms of reference, etc. of the Board of Directors of your Company and the meetings thereof held during the Financial Year are given in the Report on Corporate Governance section forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of provisions of Section 134(3)(c) and Section 134(5) of the Act, the Board of Directors of Omkar Speciality Chemicals Limited, to the best of their knowledge and ability, in respect of the Financial Year ended March 31, 2016, confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. They had selected 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 at the end of the Financial Year and of the profit of the Company for that period;
3. They had taken proper and sufficient care for the 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 fraud and other irregularities;
4. They had prepared the annual accounts on a going concern basis;
5. They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD COMMITTEES:

The Board of Directors has the following Committees:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Resource Committee
7. Whistle Blower Committee
8. Internal Complaints Committee

The Board of Directors at its meeting held on May 23, 2016 considered reconstitution of the Committees of the Board. The revised composition of the committees of the Board is given elsewhere in this Annual Report. The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

POLICIES OF THE COMPANY:

Your Company has posted the following policies/Codes on its website (www.omkarchemicals.com):

1. Nomination & Remuneration Policy
2. Corporate Social Responsibility Policy
3. Environment, Health & Safety Policy
4. Risk Management Policy
5. Whistle Blower Policy
6. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
7. Policy governing transactions with Related Parties & Material Non-listed Subsidiaries
8. Anti-Sexual Harassment Policy
9. Board Diversity Policy
10. Policy on Materiality
11. Preservation of Documents Policy
12. Records & Archives Management Policy
13. Code of Internal Procedures And Conduct For Regulating, Monitoring And Reporting Of Trading By Insiders

NOMINATION & REMUNERATION POLICY OF THE COMPANY:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report.

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. There are no risks which in the opinion of the Board may threaten the existence of the company.

WHISTLE BLOWER POLICY:

The Company has devised an effective Vigil Mechanism for stakeholders including Directors, shareholders, employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy to freely communicate their concerns about illegal or unethical practices. The policy has been explained in detail in the Corporate Governance Report, which forms a part of this Report.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:

The details in respect of Familiarisation programmes for Board members are included in the Corporate Governance Report, which forms part of this Report.

CORPORATE SOCIAL RESPONSIBILITY(CSR):

In terms of Section 135 of the Act, every company having Net Worth of Rupees Five Hundred Crore or more, or Turnover of Rupees One Thousand Crore or more or a Net Profit of Rupees Five Crore or more during any Financial Year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three (3) or more Directors, out of which at least one Director shall be an Independent Director. All such companies are required to spend at least 2% of the average Net Profits of their three (3) immediately preceding Financial Years on CSR related activities. Accordingly, your Company was required to spend ₹ 46.79 Lakhs toward CSR activities, out of which ₹ 0.25 Lakhs was utilized. The Board of Directors of the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The Company also has in place a CSR policy and the same is available on the website of the Company and can be accessed through web link: http://www.omkarchemicals.com/Policies/CSR-Policy_OSCL.pdf. The details on CSR have been briefly discussed in Annexure D forming part of the Directors' Report.

TRANSACTIONS WITH RELATED PARTIES:

Related Party Transactions that were entered into during the Financial Year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations, 2015. Company's major Related Party Transactions are generally with its wholly owned subsidiaries. There were no materially significant Related Party Transactions made by the Company during the year. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as at March 31, 2016.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website and can be accessed through web link: http://www.omkarchemicals.com/Policies/RPT%20%20&%20Material%20Non-listed%20Subsidiaries.pdf. Details of the transactions with Related Parties are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC-2.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted Anti-Sexual Harassment Policy, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

The Company has not received any complaint of sexual harassment during the Financial Year 2015-16.

ENVIRONMENTAL CLEARANCE FOR MANUFACTURING UNIT LOCATED AT CHIPLUN:

The Company has received Environmental Clearance from the State Government for its manufacturing Unit V located at Plot No. D-27/5, M.I.D.C., Lote Parshuram Industrial Area, Chiplun, Taluka Khed, District Ratnagiri, Maharashtra. The details for the same can be viewed on the website of the Company (www.omkarchemicals.com) and of Maharashtra Government for Environmental Clearance (www.ec.maharashtra.gov.in). The projected capacity of this Unit is 4,500 tonnes. The production at this unit shall commence in a phased manner. In Phase I, the Company plans to produce Vitamin C and Folic Acid.

HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS:

Your Company recognizes its human resources as one of its prime & critical resources. The relations between the Management and the Staff Members remained very cordial throughout the year under review. As on March 31, 2016 the Company had 132 permanent employees. Two (2) employees were employed throughout the year and in receipt of remuneration of ₹ 60 Lakhs per annum or

more. There was no employee who was employed for the part of the Financial Year 2015-16 and was in receipt of remuneration of ₹ 5 Lakhs per month or more. There was no employee who was in receipt of remuneration in the year which was in excess of the remuneration of the Managing Director or Whole Time Director. Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as Annexure E to the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015, detailed review of operations, performance and future outlook of the Company is covered under a separate Annexure to this report as Management's Discussion & Analysis.

REPORT ON CORPORATE GOVERNANCE:

In Compliance with SEBI Listing Regulations, 2015, new Listing Agreements as per revised format with BSE and NSE were executed on December 14, 2015.

A detailed Report on Corporate Governance, pursuant to the requirements of SEBI Listing Regulations, 2015 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 Schedule V (E) of SEBI Listing Regulations, 2015, also forms part of the Annual Report.

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI Listing Regulations, 2015, is not applicable to your Company for the Financial Year ending March 31, 2016.

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.

AUDITORS AND AUDITOR'S REPORT:

- **Statutory Auditors:**

At the Annual General Meeting held on August 9, 2014, M/s. J.P.J. Associates, Chartered Accountants, Mumbai (Firm Regn. No.: 113012W) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the twelfth (12th) Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to Section 139 of the Act, the appointment of the Auditors shall be ratified by members at every Annual General Meeting. Accordingly, the appointment of M/s. J.P.J. Associates, Chartered Accountants, Mumbai (Firm Regn. No.: 113012W) as the Statutory Auditors of the Company is placed for ratification by the shareholders.

In this regards, the Company has obtained written confirmation from M/s. J.P.J. Associates that their appointment, if ratified, would be in accordance with Section 139 read with Section 141 of the Act. Further, in terms of the Regulation 33(1)(d) of the SEBI Listing Regulations, 2015, the Statutory Auditors of your Company are subjected to the Peer Review Process of the Institute of Chartered Accountants of India (ICAI). M/s. J.P.J. Associates have confirmed that they hold a valid certificate issued by 'Peer Review Board' of ICAI.

In view of the above, the Board of Directors recommends ratification of the appointment of M/s. J.P.J. Associates, Chartered Accountants as the Statutory Auditors as mentioned at Item No. 5 of the Notice. Members are requested to consider the ratification of the appointment of M/s. J.P.J. Associates and authorize the Board of Directors to fix their remuneration.

The Auditors' Report for Financial Year 2015-16 does not contain any qualification, reservation or adverse mark. The Auditors' Report is enclosed with the Financial Statements in this Annual Report.

- **Cost Auditors:**

As per the requirement of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s N. Ritesh & Associates, Cost Accountants, Mumbai (Firm Regn. No.: 100675) as the Cost Auditor to audit the cost records of the Company for Financial Year 2016-17.

The Company is seeking the ratification of the Shareholders for the appointment of M/s N. Ritesh & Associates, Cost Auditors, Mumbai (Firm Regn. No.: 100675) as the Cost Auditor of the Company for the Financial Year ending March 31, 2017 vide Item no. 7 of the Notice of AGM.

- **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Nilesh A. Pradhan & Co., Practicing Company Secretary (Membership No. FCS 5445) to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The Secretarial Audit Report for the Financial Year ended March 31, 2016 has been annexed to this Report as Annexure F and forms an integral part of this Report.

In connection with the auditors observation in the Secretarial Audit Report it is clarified that:

Observation No. 1: Your Company will take adequate measures to do the needful in future appropriately.
Observation No. 2: The non-filing of Form MGT-14 in respect of one Board Resolution is a technical lapse that occurred inadvertently.
Observation No. 3 and 4: your Company has noted the same for proper compliance.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:-

Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder.

SECRETARIAL STANDARDS:

The Ministry of Corporate Affairs notified the Secretarial Standard on Meetings of the Board of Directors (SS – 1) and Secretarial Standard on General Meetings (SS – 2) effective from July 1, 2015. Your Company complies with the same.

Your Company will comply with the other Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as and when they are made mandatory.

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 look forward to their continued support in the future.

Your Directors also place on record their appreciation for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible.

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

Sd/-
Pravin S. Herlekar
Chairman & Managing Director
(DIN: 00525610)

Date: May 23, 2016
Place: Badlapur

ANNEXURE A

FORM AOC-1

As on the Financial Year ended on March 31, 2016

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

(₹ in Lakhs)

Name of the Subsidiary	Lasa Laboratory Private Limited	Urdhwa Chemicals Company Private Limited	Desh Chemicals Private Limited	Rishichem Research Limited	Lasa Supergenerics Limited
Reporting period for the subsidiary concerned	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Reporting currency and exchange rate as on the last date of the relevant Financial Year	INR	INR	INR	INR	INR
Share Capital	595.00	354.44	4.95	5.40	5.00
Reserves & Surplus	2371.04	(705.07)	58.85	112.75	0.00
Total Assets	12679.43	8164.02	64.01	130.62	40.09
Total Liabilities	12679.43	8164.02	64.01	130.62	40.09
Investments	-	0.10	0.25	0.25	0.00
Turnover	13611.39	4186.03	0.00	106.56	0.00
Profit before taxation	1944.48	14.22	(0.46)	46.10	0.00
Provision for Taxation	823.37	(3.67)	0.00	14.93	0.00
Profit after taxation	1121.11	17.90	(0.46)	31.17	0.00
Proposed Dividend	0.00	0.00	0.00	0.00	0.00
% of Shareholding	100%	100%	100%	100%	100%

NOTES:

1. There are no operations being carried out in M/s Desh Chemicals Private Limited.
2. 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 of Omkar Speciality Chemicals Limited

Sd/-
Pravin S. Herlekar
Chairman & Managing Director
(DIN:00525610)

Sd/-
Omkar P. Herlekar
Whole Time Director
(DIN:01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

Date: May 23, 2016
Place: Badlapur

ANNEXURE B

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As on the Financial Year ended on March 31, 2016

[Pursuant to Section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

CONSERVATION OF ENERGY:

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

Power and Fuel Consumption		Current Year 2015-16	Previous Year 2014-15
1.	**Electricity**		
a)	Purchased		
	Unit (kwh)	**1,251,417**	10,65,845
	Total Amount (Rs)	**12,794,225**	1,07,44,249
	Rate / Unit (per kwh)	**10.22**	10.08
b)	Own Generation		
(i)	*Through diesel generator*		
	Quantity (ltrs)	**14,845**	25,330
	Units Generated	**11,876**	20,249
	Total Amount (Rs)	**879,617**	15,53,244
	Units per ltr. of diesel oil	**1.25**	1.25
	Cost / Unit	**59.25**	61.32
(ii)	*Through steam turbine/generator*		
	Units	**-**	-
	Total Amount (Rs)	**-**	-
	Units per ltr. of fuel oil/gas	**-**	-
	Cost/unit	**-**	-
2.	**Coal**		
	Quantity (tonnes)	**293**	1,354
	Total cost	**1,408,208**	57,14,145
	Average rate	**4.80**	4.25
3.	**Light Diesel Oil**		
	Quantity (ltrs.)	**9,261**	32,120
	Total Amount (₹)	**347,302**	16,29,138
	Average Rate	**37.50**	50.72
4.	**Furnace Oil**		
	Quantity (ltrs.)	**598,26**	1,90,930
	Total Amount (₹)	**1,729,666**	74,67,535
	Average Rate	**28.91**	39.11
5.	**Others/internal generation**		
	Quantity	**-**	-
	Total cost	**-**	-
	Rate/unit	**-**	-

STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

- Installation of Natural draft cooling towers in two units. This does not require fan which has resulted in saving of electrical energy
- PVC fills of FRP cooling towers are cleaned periodically & replaced damaged ones, as and when required, to maintain the efficient working of cooling towers.
- Use of energy efficient screw compressor helped in reducing the cost of compressed air.
- Regular arresting and monitoring of steam, water, brine, fuel and compressed air leakages.
- Regular checking and maintenance of hot and cold insulation to avoid loss of heat energy.
- Use of LED lamps on reaction vessels and emergency lighting has helped in reducing the electrical load.
- Water harvesting in units has helped in water conservation.

- Installation of Turbo ventilators, wherever required, helped in reducing the electrical consumption for ventilation.
- Use of APFC and parallel switching of capacitors to maintain power factor to near unity to avail maximum possible rebate in electricity bills and reduce electrical consumption.
- Regular preventive maintenance of DG sets to maintain efficient working.
- Regular cleaning of cooling tower ponds.
- Periodic cleaning of condensers, chillers, steam heating coils, by external chemicals, to maintain efficient heat transfer.
- Use of soot cleaning agent to maintain clean boiler and thermic fluid heater coils.
- Annual servicing of power transformer to maintain efficient working.
- Periodic cleaning and replacement of filters of AHUs, as and when required.
- Installation of energy efficient spin flash drier.
- Use of air curtains in GMP area to avoid loss of air conditioning.
- Recycling of Steam condensate from equipments has helped in cutting down the loss of water and heat energy.
- Use of VFDs, wherever possible, to optimize power consumption of equipments.
- Installation of energy efficient graphite condensers.

THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:

₹ 50 lakhs have been expended towards installation of energy conservation equipments.

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.

TECHNOLOGY ABSORPTION:

EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:

The Company's philosophy right from its inception has always remained focused on in-house product development and launching the same for domestic or overseas market. The Company is pioneer in most of the products being currently manufactured by it. The R&D Centre of the Company not only works on development of new products but is also focused on continuous upgradation of processes for improving in quality and costing. The cost reduction is brought about by improving process efficiency, use of innovative catalysts, savings in utilities and energy cost. The R&D center is well supported by our wholly owned subsidiary – Rishichem Research Limited, wherein the newly developed molecules and processes are scaled-up before they are launched on commercial scale.

The Company also focuses on enhancing the value addition by way of backward and forward integrations. The manufacturing facilities at all locations are designed in such a manner that there is a total fungibility for manufacturing various products as per the market requirements. This leads to a reasonably high level of capacity utilization.

BENEFITS DERIVED:

The above efforts help the Company to achieve following objectives:

- Cost Reduction
- Expanding the product base
- Widening the customer base
- Quality improvements
- Increased customer satisfaction.

EXPENDITURE ON R&D: (₹ in Lakhs)

Particulars	2015-16	2014-15
Capital Expenditure	**13.02**	8.76
Recurring Expenditure	**286.65**	345.97
Total	**299.67**	354.73

FOREIGN EXCHANGE EARNINGS AND OUTGO: (₹ in Lakhs)

Particulars	2015-16	2014-15
Foreign Exchange Earned	**5166.08**	5,362.95
Foreign Exchange Used	**1090.59**	8,740.57

ANNEXURE C

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on March 31, 2016

[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:

CIN	L24110MH2005PLC151589
Registration Date	February 24, 2005
Name of the Company	Omkar Speciality Chemicals Limited
Category/ Sub-Category of the Company	Category – Company Limited by Shares Sub-Category – Public Company (Indian Non-Government Company)
Address of the Registered office and contact details	B-34, M.I.D.C., Badlapur (E), Thane 421503, Maharashtra Tel: +91-251 – 2690651/ 2697340 Fax: +91-251 – 2697347/ 2691572
Whether listed company (Yes/ No)	Yes. Listed on BSE Limited and National Stock Exchange of India Limited
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: investor@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:

Sr. 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:

Sr. 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 Limited W-83(C), M.I.D.C., Badlapur (East) – 421 503, Maharashtra	U24110MH1995PLC088969	Subsidiary	100%	2(87)
2.	Desh Chemicals Private Limited B-34, M.I.D.C., Badlapur (East)- 421 503, Maharashtra	U24111MH1983PTC031424	Subsidiary	100%	2(87)
3.	Urdhwa Chemicals Company Private Limited B-34, M.I.D.C., Badlapur (East)- 421 503, Maharashtra	U24100MH1986PTC040668	Subsidiary	100%	2(87)
4.	Lasa Laboratory Private Limited F-9, M.I.D.C., Badlapur (East)- 421 503, Maharashtra	U24297MH1998PTC114317	Subsidiary	100%	2(87)
5.	Lasa Supergenerics Limited F-9, M.I.D.C., Badlapur (East)- 421 503, Maharashtra	U24233MH2016PLC274202	Subsidiary	100%	2(87)

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

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals /HUF	12597644	0	12597644	61.22	13140547	0	13140547	63.86	2.64
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	380000	0	380000	1.85	380000	0	380000	1.85	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total A(1)	**12977644**	**0**	**12977644**	**63.07**	**13520547**	**0**	**13520547**	**65.71**	**2.64**
(2) Foreign									
a) NRI - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (specify)	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 Promoter (A) = A(1) + A(2)	**12977644**	**0**	**12977644**	**63.07**	**13520547**	**0**	**13520547**	**65.71**	**2.64**
(B) Public Shareholding									
1. Institutions									
a) Mutual Funds	2363755	0	2363755	11.49	745963	0	745963	3.63	(7.86)
b) Banks/ FI	284920	0	284920	1.38	17580	0	17580	0.09	(1.30)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	331357	0	331357	1.61	1072665	0	1072665	5.21	3.60
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total B(1)	**2980032**	**0**	**2980032**	**14.48**	**1836208**	**0**	**1836208**	**8.92**	**(5.56)**
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2194979	0	2194979	10.67	1065126	0	1065126	5.18	(5.49)
ii) Overseas	0	0	0	0.00	204367	0	204367	0.99	0.99
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1027890	15	1027905	5.00	2928706	15	2928721	14.23	9.24
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	910604	0	910604	4.43	691678	0	691678	3.36	(1.06)
c) Others (specify)									
i) Clearing Members	431185	0	431185	2.10	114531	0	114531	0.56	(1.54)
ii) NRIs	55655	0	55655	0.27	215501	0	215501	1.05	0.78
iii) Trust	0	0	0	0.00	1325	0	1325	0.01	0.01
Sub Total B(2)	**4620313**	**15**	**4620328**	**22.45**	**5221234**	**15**	**5221249**	**25.37**	**2.92**
Total Public Shareholding (B) = B(1) + B(2)	**7600345**	**15**	**7600360**	**36.93**	**7057442**	**15**	**7057457**	**34.30**	**(2.64)**
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)	**20577989**	**15**	**20578004**	**100.00**	**20577989**	**15**	**20578004**	**100.00**	**0.00**

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% 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	4477700	21.76	20.24	4477700	21.76	14.77	0.00
		3844480	18.68	15.74	3844480	18.68	9.12	0.00
		0	0.00	0.0	722300	3.51	0.00	3.51
		685000	3.33	0.00	505603	2.46	0.00	(0.87)
		286080	1.39	0.00	286080	1.39	0.00	0.00
		422711	2.05	0.00	422711	2.05	0.00	0.00
	TOTAL	**9715971**	**47.22**	**35.98**	**10258874**	**49.85**	**23.89**	**2.64**
2	Omkar Pravin Herlekar	577599	2.81	0.00	577599	2.81	0.00	0.00
		291884	1.42	0.00	291884	1.42	0.00	0.00
		15000	0.07	0.00	15000	0.07	0.00	0.00
	TOTAL	**884483**	**4.30**	**0.00**	**884483**	**4.30**	**0.00**	**0.00**
3	Rishikesh Pravin Herlekar	576410	2.80	0.00	576410	2.80	0.00	0.00
		190100	0.92	0.00	190100	0.92	0.00	0.00
	TOTAL	**766510**	**3.72**	**0.00**	**766510**	**3.72**	**0.00**	**0.00**
4	Anjali Pravin Herlekar	1208240	5.87	0.00	1208240	5.87	0.00	0.00
5	Shivdas Ramarao Herlekar	22440	0.11	0.00	22440	0.11	0.00	0.00
6	Svaks Biotech India Private Limited	380000	1.85	0.00	380000	1.85	0.00	0.00

NOTES:

(1) Mr. Pravin S. Herlekar 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 depositaries as on March 31, 2015. Mr. Pravin S. Herlekar has created encumbrance on 7,22,300 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2015. 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%.

(2) Mr. Pravin S. Herlekar has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016. 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%.

(iii) Change in Promoter's Shareholding:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of Company			No. of Shares	% of Total Shares of Company	No. of Shares	% of Total Shares of Company
1	Pravin Shivdas Herlekar	9715971	47.22	01-04-2015	At the beginning of the year			9715971	47.22
				30-09-2015	Released from Pledge	673679	3.27	1038650	50.49
				05-10-2015	Creation of encumbrance	(276000)	1.34	10113650	49.15
				06-10-2015	Released from Pledge	48621	0.24	10162271	49.38
				19-12-2015	Released from encumbrance	110603*	0.03	10272874	49.92
				19-02-2016	Creation of encumbrance	(14000)	0.07	10258874	49.85
				31-03-2016	At the end of the year			10258874	49.85
2	Anjali Pravin Herlekar	1208240	5.87	No Change				1208240	5.87
3	Omkar Pravin Herlekar	884483	4.30	No Change				884483	4.30
4	Rishikesh Pravin Herlekar	766510	3.72	No Change				766510	3.72
5	Shivdas Ramarao Herlekar	22440	0.11	No Change				22440	0.11
6	Svaks Biotech India Private Limited	380000	1.85	No Change				380000	1.85

NOTES:

*85000 shares of Mr. Pravin S. Herlekar which were under encumbrance were released. Further, 25603 shares which were earlier not reflected in his name in the beneficial position of depositories are now shown in his name.

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)		Increase/ Decrease in Shareholding@	Shareholding at the end of the year (31.03.2016)	
		No. of Shares	% of Total Shares of Company		No. of Shares	% of Total Shares of Company
1	SBI Magnum Midcap Fund #	1463755	7.11	(1463755)	0	0.00
2	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life International Equity Fund-Plan B	900000	4.37	(229990)	670010	3.26
3	Moneywise Financial Services Private Limited #	751349	3.65	(751349)	0	0.00
4	4A Securities Limited #	392000	1.90	(392000)	0	0.00
5	Premier Investment Fund Limited	305657	1.49	(67114)	238543	1.16
6	Axis Bank Limited #	284120	1.38	(281632)	2488	0.01
7	Globe Fincap Limited #	269500	1.31	(269500)	0	0.00
8	Avtar Instalments Private Limited #	194000	0.94	(194000)	0	0.00
9	Edelweiss Securities Limited #	173837	0.84	(144994)	28843	0.14
10	Pulkit.N. Sekhsaria *	150000	0.73	(79000)	71000	0.35
11	Driehaus Emerging Markets Small Cap Growth Fund, A Series of Driehaus Mutual Funds *	0	0.00	730155	730155	3.55
12	Master Trust Limited *	0	0.00	290000	290000	1.41
13	Goldman Sachs (Singapore) Pte *	0	0.00	204367	204367	0.99
14	Deenar Krishnarao Toraskar *	0	0.00	103595	103595	0.50
15	Edelweiss Trusteeship Company Ltd A/C Edelweiss Mutual Fund A/C Edelweiss Emerging *	0	0.00	75953	75953	0.37
16	Pradeep Ravibhushan Datar *	0	0.00	54116	54116	0.26

NOTES:

* Not in the list of Top 10 shareholders as on April 1, 2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2016.

Ceased to be in the list of Top 10 shareholders as on March 31, 2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2015.

@ The shares of the Company are traded on a daily basis and hence the date wise increase/ decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2015)		Date	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of Company			No. of Shares	% of Total Shares of Company
Directors							
1	Pravin Herlekar	9715971	47.22	01-04-2015	-	9715971	47.22
				30-09-2015	673679	10389650	50.49
				05-10-2015	(276000)	10113650	49.15
				06-10-2015	48621	10162271	49.38
				19-12-2015	110603*	10272874	49.92
				19-02-2016	(14000)	10258874	49.85
				31-03-2016	-	10258874	49.85
2	Omkar Herlekar	884483	4.30	No Change		884483	4.30
3	Anjali Herlekar %	1208240	5.87	No Change		1208240	5.87
4	Rishikesh Herlekar #	766510	3.72	No Change		766510	3.72
5	Sanjivani Patare #	0	0	No Change		0	0
6	Suhas Rane	0	0	No Change		0	0
7	Subhash Mali ~	0	0	No Change		0	0
8	Vikas Telvekar	0	0	No Change		0	0
9	Sitendu Sharma @	0	0	No Change		0	0
10	Vikas Gadre #	0	0	No Change		0	0
11	Subhash Ghalke #	0	0	No Change		0	0
12	Laxmikant Kabra	35500	0.17	No Change		35500	0.17
13	Prakash Rao #	0	0	No Change		0	0

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2015)		Date	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of Company			No. of Shares	% of Total Shares of Company
KMPs							
14	Hiral Patel $	0	0	No Change		0	0
15	Pravin Agrawal ^	0	0	No Change		0	0
16	Nirav Momaya &	0	0	No Change		0	0
17	Sunny Pagare ^	0	0	No Change		0	0

NOTES:

(1) Mr. Pravin S. Herlekar 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 depositaries as on March 31, 2015. Mr. Pravin S. Herlekar has created encumbrance on 7,22,300 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2015. 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%.

(2) Mr. Pravin S. Herlekar has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016. After considering the aforesaid transaction, the total no. of shares held by Mr. Pravin S. Herlekar are 1,05,48,874 consisting of 51.26%.

(3) *85000 shares of Mr. Pravin S. Herlekar which were under encumbrance were released. Further, 25603 shares which were earlier not reflected in his name in the beneficial position of depositories are now shown in his name.

@ Appointed w.e.f May 8, 2015

Appointed w.e.f July 17, 2015

& Resigned w.e.f October 23, 2015

^ Appointed w.e.f December 12, 2015

$ Relinquished w.e.f December 12, 2015

~ Redesignated as Executive Director w.e.f May 23, 2016

% Resigned w.e.f May 23, 2016

V. INDEBTEDNESS:

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

(In ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	1,48,71,62,911.60	26,79,46,661.52	-	**1,75,51,09,573.12**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	-	-	**-**
Total (i+ii+iii)	1,48,71,62,911.60	26,79,46,661.52	-	**1,75,51,09,573.12**
Change in Indebtedness during the Financial Year				
Addition	56,00,00,000.00	37,97,66,100.48	-	**93,97,66,100.48**
Reduction	49,39,53,554.30	34,32,82,373.85	-	**83,72,35,928.15**
Net change	6,60,46,445.70	3,64,83,726.63	-	**10,25,30,172.33**
Indebtedness at the end of the Financial Year				
i) Principal Amount	1,55,32,09,357.30	30,44,30,388.15	-	**1,85,76,39,745.45**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	-	-	**-**
Total (i+ii+iii)	**1,55,32,09,357.30**	**30,44,30,388.15**	**-**	**1,85,76,39,745.45**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In ₹)

Sr. No.	Particulars	Name of Managing Director, Whole-time Directors and/or Manager				Total Amount
		Pravin S. Herlekar	Omkar P. Herlekar	Rishikesh P. Herlekar*	Prakash H. Rao*	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	60,00,000	18,00,000	4,76,794	8,01,217	**90,78,011**
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	**-**
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	**-**
2.	Stock Option	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	**-**
4.	Commission					
	- as % of profit	1,11,36,428	77,00,000	-	-	**1,88,36,428**
	- others, specify	-	-	-	-	**-**
5.	Others, please specify	-	-	-	-	**-**
	Total (A)	**1,71,36,428**	**95,00,000**	**4,76,794**	**8,01,217**	**2,79,14,439**
	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.				

NOTES:

* Appointed w.e.f July 17, 2015

B. Remuneration to other Directors:

1. Independent Directors: (In ₹)

Sr. No.	Particulars	Name of Directors							Total Amount
		Sanjivani S. Patare*	Suhas M. Rane	Subhash P. Mali &	Vikas N. Telvekar	Sitendu K. Sharma #	Vikas G. Gadre*	Subhash N. Ghalke*	
1.	Fees for attending Board and Committee Meetings	1,05,000	2,27,500	1,50,000	1,62,500	2,20,000	1,55,000	1,05,000	**11,25,000**
2.	Commission	-	-	-	-	-	-	-	**-**
3.	Others, please specify	-	-	-	-	-	-	-	**-**
	Total (1)	**1,05,000**	**2,27,500**	**1,50,000**	**1,62,500**	**2,20,000**	**1,55,000**	**1,05,000**	**11,25,000**

NOTES:

\# Appointed w.e.f May 8, 2015

* Appointed w.e.f July 17, 2015

& Redesignated as Executive Director w.e.f May 23, 2016

2. Other Non-Executive Directors: (In ₹)

Sr. No.	Particulars	Name of Directors		Total Amount
		Anjali P. Herlekar $	Laxmikant R. Kabra	
1.	Fees for attending Board and Committee Meetings	-	1,82,500	**1,82,500**
2.	Commission	-	-	**-**
3.	Others, please specify (Professional Charges)	-	-	**-**
	Total (2)	**-**	**1,82,500**	**1,82,500**
	Total (B) = (1+2)			**13,07,500**
	Total Managerial Remuneration (A+B)			**2,92,21,939**
	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.		

NOTES:

$ Resigned w.e.f May 23, 2016

C. Remuneration To Key Managerial Personnel Other Than MD/ Manager/ WTD **(In ₹)**

Sr. No.	Particulars	Key Managerial Personnel				Total
		Chief Financial Officer		Company Secretary		
		Hiral G. Patel *	Pravin J. Agrawal #	Nirav K. Momaya @	Sunny D. Pagare #	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7,71,045	7,50,174	3,91,369	2,43,023	**21,55,612**
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	**-**
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	**-**
2.	Stock Option	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	**-**
4.	Commission	-	-	-	-	**-**
	- as % of profit	-	-	-	-	**-**
	- others, specify	-	-	-	-	**-**
5.	Others, please specify	-	-	-	-	**-**
	Total	**7,71,045**	**7,50,174**	**3,91,369**	**2,43,023**	**21,55,612**

NOTES:

@ Resigned w.e.f October 23, 2015

Appointed w.e.f December 12, 2015

* Relinquished w.e.f December 12, 2015

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

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				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

ANNEXURE D
REPORT ON THE CSR ACTIVITIES

As on the Financial Year ended on March 31, 2016

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   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).

2. **Composition of CSR Committee:**

   The Board, in its meeting held on May 23, 2016, 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
CA Laxmikant R. Kabra – Member	Non-Executive and Non-Independent Director
Mr. Prakash H. Rao – Member	Executive Director

3. **Average Net Profit of the Company for the last three financial years:** ₹ 2,339.50 lakhs

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹ 46.79 Lakhs

5. **Details of CSR spent during the financial year:**

   (a) Total amount to be spent for the financial year : ₹ 46.79 Lakhs

   (b) Amount unspent if any : ₹ 46.54 Lakhs

6. **Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**(1) Local area or other (2) specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**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.	Say No to Plastic	Environment	Mumbai suburban area	25,000	25,000	25,000	25,000
	TOTAL			**25,000**	**25,000**	**25,000**	**25,000**

* Details of Implementing agency – Utkarsh Star Mitra Mandal, Mulund Colony, Mumbai – 400 082.

7. **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 is in expansion mode and has been spending a lot of amount on Capital Expenditure (CAPEX) for addition in production capacity in various units. Majority of these expansions were funded from the existing working capital and internal accruals, without much of term loan from bank or financial institution. Therefore, the company has decided to commence the spending on CSR from coming financial year and onwards.

   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 2016-17.

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

Sd/-
Pravin S. Herlekar
Chairman & Managing Director
(DIN:00525610)

Sd/-
Vikas G. Gadre
Chairman of CSR Committee
(DIN:06746818)

Date: May 23, 2016
Place: Badlapur

ANNEXURE E

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

As on the Financial Year Ended March 31, 2016

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the Performance of the Company are as under:** (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.)

Sr. No.	Name and Designation	Remuneration of Director/ KMP for Financial Year 2015-16 (In ₹)	% increase in Remuneration in the Financial Year 2015-16	Ratio of Remuneration of each Director/ KMP to median remuneration of employees
1	Mr. Pravin S. Herlekar Chairman & Managing Director	60,00,000	0	78.05
2	Mr. Omkar P. Herlekar Whole Time Director	18,00,000	0	43.27
3	Mrs. Anjali P. Herlekar % Non-Executive and Non-Independent Director	0	0	0.00
4	Mr. Rishikesh P. Herlekar # Executive Director	4,76,794	*	2.17
5	Adv. Sanjivani S. Patare # Non-Executive and Independent Director	1,05,000	*	0.48
6	Prof. (Dr.) Suhas M. Rane Non-Executive and Independent Director	2,27,500	26.39	1.04
7	Dr. Vikas N. Telvekar Non-Executive and Independent Director	1,62,500	38.30	0.74
8	Mr. Subhash P. Mali ~ Non-Executive and Independent Director	1,50,000	27.66	0.68
9	CA Sitendu K. Sharma @ Non-Executive and Independent Director	2,20,000	*	1.00
10	Mr. Vikas G. Gadre # Non-Executive and Independent Director	1,55,000	*	0.71
11	Mr. Subhash N. Ghalke # Non-Executive and Independent Director	1,05,000	*	0.48
12	CA Laxmikant R. Kabra Non-Executive and Non-Independent Director	1,82,500	*	0.83
13	Mr. Prakash H. Rao# Executive Director	8,01,217	*	3.65
14	Mr. Hiral G. Patel $ Chief Financial Officer	7,71,045	*	4.95[&]
15	Mr. Pravin J. Agrawal ^ Chief Financial Officer	7,50,174	*	10.69[&]
16	CS Nirav K. Momaya & Company Secretary	3,91,369	*	3.17[&]
17	CS Sunny D. Pagare ^ Company Secretary	2,43,023	*	3.64[&]

NOTES:

a. * Percentage increase in remuneration not reported as they were for the part of the Financial Year.

b. [&] Calculated on annualized basis.

c. Remuneration includes commission paid to Executive Director and sitting fees paid to Non-Executive Directors.

d. The remuneration to Directors is within the overall limits approved by the shareholders.

@ Appointed w.e.f May 8, 2015

Appointed w.e.f July 17, 2015

& Resigned w.e.f October 23, 2015

^ Appointed w.e.f December 12, 2015

$ Relinquished w.e.f December 12, 2015

~ Redesignated as Executive Director w.e.f May 23, 2016

% Resigned w.e.f May 23, 2016

2. **The numbers of permanent employees on the rolls of the Company:** 132

3. **The percentage increase in the median remuneration of employees in the financial year:** (6.16)%

4. **The explanation on the relationship between average increase in remuneration and Company performance:** The change in remuneration is not solely based on the Company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. All these factors are considered for revision of remuneration.

5. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:** The increase in remuneration is not solely based on the Company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. All these factors are considered by Board/ Nomination and Remuneration Committee.

6. **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:** Percentage increase in salaries of non-managerial personnel at 50th Percentile is (3.05). Percentage increase in salaries of managerial personnel at 50th Percentile is 1.62. The change in remuneration is not solely based on the Company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. besides the Company performance. The increase in the managerial remuneration was due to appointment of Executive Directors and changes in the Key Managerial Personnel.

7. **The key parameters for any variable component of remuneration availed by the Directors:** Commission is the variable component in the remuneration of the Directors. The Commission amount is as per the Nomination and Remuneration Policy of the Company.

8. **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:** Not applicable

9. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

   1. Market Capitalization & Price Earnings Ratio details are as under:

Particulars	As on March 31, 2016	As on March 31, 2015	Increase/ Decrease (%)
Market Capitalization (Rs in crore)	**359.08**	331.51	8.32
Price Earnings Ratio	**16.16**	18.10	(10.71)

   2. Percentage increase in the market quotations over the last Public Offer:

   The closing price of Company's Equity Share as on March 31, 2016 was ₹ 174.40 (NSE) & ₹ 174.50 (BSE) respectively, representing increase of 77.96 % (NSE) & 78.06 % (BSE) respectively increase over the IPO price.

10. **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the Remuneration paid to the Directors is as per the Remuneration Policy of the Company.

11. **Details of employees employed throughout the year and in receipt of remuneration at the rate of not less than ₹ 60,00,000/- per annum:**

Sr. No.	Name	Age in Year (Approx.)	Designation	Remuneration Received (₹ In Lakhs)			Nature of Employment	Qualification	Date of Commencement of Employment	Experience in Year (Approx.)	Last employment held and designation	% of Equity Shares held by the employee in the Company*	Relation with any Director of the Company
				Gross Salary	Commission	Total Remuneration							
1	Mr. Pravin S. Herlekar**	67 years	Chairman & Managing Director	60.00	111.36	171.36	Contractual	B.Tech (Chemical Engineering), Post Graduate in Management Studies	24-02-2005	44 years	Omkar Chemicals, proprietary concern	49.85 %	Mr. Pravin Herlekar is husband of Mrs. Anjali Herlekar and Father of Mr. Omkar Herlekar and Mr. Rishikesh Herlekar.
2	Mr. Omkar P. Herlekar	36 years	Whole Time Director	18.00	59.00	77.00	Contractual	B.Sc. and M.Sc. (By Research) in Chemistry	01-07-2007	9 years	--	4.30 %	

12. **Details of employees 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 ₹ 5,00,000/- per month:** None

13. **Details of employees employed throughout the financial year or part thereof and was in receipt of remuneration in the year and is in excess of the remuneration of the Managing Director or Whole Time Director:** None

NOTES:

a. Gross Salary comprises of Salary and Allowances.

b. * Given as on March 31, 2016

c. ** Mr. Pravin S. Herlekar has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016. After considering the aforesaid transaction, the total no. of shares held by Mr. Pravin S. Herlekar are 1,05,48,874 consisting of 51.26%.

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

Sd/-
Pravin S. Herlekar
Chairman & Managing Director
(DIN:00525610)

Date: May 23, 2016
Place: Badlapur

ANNEXURE F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

THE MEMBERS,
OMKAR SPECIALITY CHEMICALS LIMITED
B-34, MIDC, Badlapur (East) Thane-421503

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). 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company 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 has, during the audit period covering the financial year ended on March 31, 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has 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 Company for the financial year ended on March 31, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and The Companies Act, 1956 (the Old Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) 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) i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (till May 15, 2015);

ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f. May 15, 2015)

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable during Audit period)**

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during Audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during Audit period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable during Audit period)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. December 1, 2015)

(vi) I further report that having regard to the compliance system prevailing in the Company and on the representation given by the Company's officials, the Company has complied with the following laws applicable specifically to the Company:

a. Hazardous Waste (Management and Handling) Rules, 1989

b. Patents Act,1970

c. Trade Mark Act, 1999

d. The Explosives Act, 1884

e. The Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989

f. The Environmental Protection Act, 1986

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

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective July 1, 2015.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges (BSE) & (NSE);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has published the advertisement for Closure of Register of Members in English language a vernacular newspaper of the district where the registered office of the company is situated.

2. The Company has not filed Form MGT-14 with respect to the Board Resolution for providing loan to its subsidiaries and exercising the borrowing power though the Board Resolutions is passed appropriately in the Board Meeting.

3. The Company has not received disclosures as required under the Regulation 29(2) of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

4. The Company has not received the disclosures as required under Regulation 7(2) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. The changes in the composition of 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.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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) The Board unanimously approved Scheme of Arrangement ("Scheme") between Omkar Speciality Chemicals Limited, Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited, Desh Chemicals Private Limited and Lasa Supergenerics Limited for:

   a) The merger of Lasa Laboratory Private Limited, Urdhwa Chemicals Company Private Limited, Rishichem Research Limited, Desh Chemicals Private Limited with Omkar Speciality Chemicals Limited; and

b) The demerger of the Veterinary API Undertaking of Merged Omkar Speciality Chemicals Limited into Lasa Supergenerics Limited.

2) The Company has obtained shareholders approval for the following matters, however no actual grant of Employee Stock Options was made during the period under review :

a) Grant of Employee Stock Options to the employees of the Company under OSCL ESOP 2015

b) Grant of Employee Stock Options to the employees of the Subsidiary Companies of the Company under OSCL ESOP 2015

c) 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.

For Nilesh A. Pradhan & Co
Practicing Company Secretaries

Sd/-
CS Nilesh A. Pradhan
Proprietor
FCS: 5445
COP: 3659

Place: Mumbai
Date: May 23, 2016

NOTE: This report should be read with my letter which is annexed as Annexure I and forms integral part of this report

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ANNEXURE I

To,
THE MEMBERS,
OMKAR SPECIALITY CHEMICALS LIMITED
B-34, MIDC, Badlapur (East) Thane-421503

My report of even date is to be read along with this letter

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believed that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Nilesh A. Pradhan & Co
Practicing Company Secretaries

Sd/-
CS Nilesh A. Pradhan
Proprietor
FCS: 5445
COP: 3659

Place: Mumbai
Date: May 23, 2016

MANAGEMENT DISCUSSION & ANALYSIS

Overview:

The global economy witnessed some challenging times during 2015 with the decline in aggregate demand, falling commodity prices and increasing financial volatility in most of the major economies. The world economy is projected to grow at slightly above 3.2% in 2016 and maintain the same level during 2017.

Overall the economic development, new product applications, enhanced life expectancies has contributed to the growth in pharmaceuticals, life sciences, agro chemicals, and allied industries

Compared to the most other major developing countries, India is expected to witness increase in international demands, strengthening domestic business cycle with a positive support from the Government. As we are aware, India is expected to grow at around 7.5% in 2016-17.

The speciality chemical industry is one of the key industries which play a vital role in the overall development of the country. This sector includes products which are used for various applications such as pharmaceuticals, fertilizers, nutrients, speciality coatings, chemicals used in cosmetics & toiletries, dyestuffs, ceramics, etc., to name a few. Speciality chemicals are produced by somewhat complex chemistry. In the strictest sense, speciality chemicals are chemical products that are sold on the basis of their performance or function, rather than for their composition. They can be single-chemical entities or formulations (combinations of several chemicals) whose composition sharply influences the performance and processing of the customers product. Products and services in the speciality chemicals industry require intensive knowledge and ongoing innovation.

As regards the pharmaceutical market, which happens to be a major segment in which the Company deals with, is expected to reach $ 1.3 trillion by 2018. It is expected that the population growth, aging population and Government's spending on health care will contribute to the growth of the pharma market. There is a growing focus of improving health care activities in most of the developing countries.

It is known that, Indian pharmaceutical market is the 3rd largest in terms of volume and 13th largest in terms of value. The revenue from this segment is expected to grow at around 12% to 15% p.a. for next 5 years. Today, India is the largest provider of generic drugs globally with the Indian generics account for about 20% of global exports in terms of volume.

This industry is one of the oldest industries in India and plays a crucial role in meeting the daily needs which are required in almost all walks of life.

Over the last decade, the Indian chemical industry has evolved from being a basic chemical producer to becoming an innovative industry. With increasing investments in R&D, this industry is registering significant growth and has acquired a status of knowledge based industry. With a large pool of technical experts, well supported by availability of skilled and unskilled labor force, India is poised to be one of the leading players in the world. Moreover, considering the issues currently being faced by Chinese industry, India will certainly have an age our China in very near future.

The growing market opportunities were rightly tapped by your company during the year under review as seen below:

Financial Performance: (₹ in Lakhs)

Description	Standalone		Consolidated	
	2015-16	2014-15	**2015-16**	2014-15
Revenue from operations	**30,002.06**	19,331.31	**41,340.81**	26,513.37
EBITDA	**4,527.49**	2,894.09	**8,082.61**	5,216.77
Interest/Finance Charges	**1,651.87**	1,142.80	**2,038.08**	1,448.35
Depreciation & Amortization	**428.34**	197.36	**902.37**	1,032.68
Other Income	**889.17**	491.02	**141.15**	89.75
Profit Before Tax	**3,336.44**	2,044.94	**5,236.63**	2,825.49
Taxation	**1,115.06**	251.48	**2,175.33**	397.40
Profit After Tax	**2,221.39**	1,793.46	**3,061.29**	2,428.09
Earnings Per Share (in Rs)				
Basic	**10.79**	8.89	**14.88**	12.03
Diluted	**10.79**	8.89	**14.88**	12.03
Face value of Equity Share (in Rs)	**10.00**	10.00	**10.00**	10.00

The Company has shown smart growth in terms of consolidated turnover, net profit and EPS during the FY 2015-16. The Company is confidently progressing on the consolidated basis by posting a rise of 55.92 % in the revenues and 26.08% in the net profit as compared to the FY 2014-15. EPS on consolidated basis has increased from ₹ 12.03 per share to ₹ 14.88 per share.

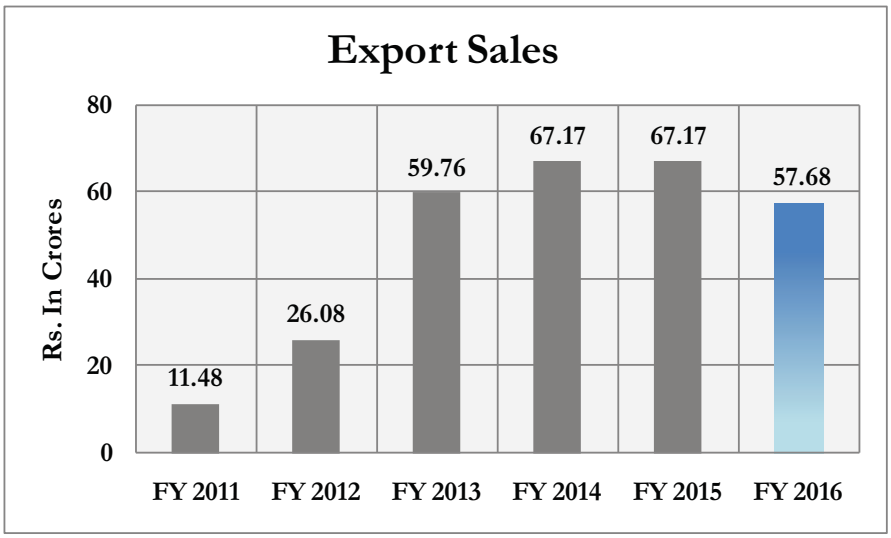
Performance of the Company in terms of revenue on standalone basis has also increased by 55.20% during FY 2015-16. The standalone performance of the Company in terms of profit and EPS for FY 2015-16 also indicates robust growth in comparison to FY 2014-15. EBITDA has increased from ₹ 28.94 crores to ₹ 45.27 Crores, showing an impressive increase of 38% in comparison to previous financial year. Profit Before Tax has shown substantial increase of 63% from ₹ 20.45 Crores to ₹ 33.36 Crores. EPS has increased from ₹ 8.89 per share to ₹10.79 per share.

Following are the factors which had major impact on the financial performance of the Company during FY 2015-16:

- Pursuant to the provisions of the Companies Act, 2013 ("Act"), for calculating depreciation on the assets, which came in to force from April 1, 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 additional deduction on account 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. However, the necessary benefit of the additional deduction was claimed by the Company while filing the Income tax return for FY 2014-15. Due to this, the provision entry for Deferred Tax was not made while finalizing the accounts for FY 2014-15. Impact of this was taken during the current year, resulting in the higher tax provision during the year.
- 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 had undertaken major expansion plans during previous years. 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 has been successful in getting the Environment Clearance from State Government. However, as per the conditions laid down by the sanctioning authority the Company has to put in additional equipments particularly for keeping the effluent treatment under control. The management is in the process of installing these additional facilities at the manufacturing unit and expected to commence the commercial production in near future.

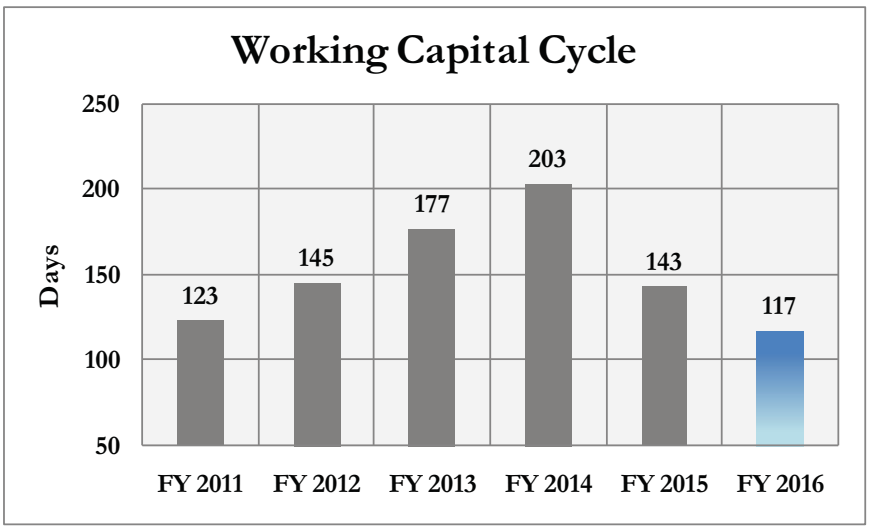
Exports:

The Company's exports on consolidated basis marginally decreased from ₹ 67.17 cr. in FY 2014-15 to ₹ 57.68 cr. in FY 2015-16. The export trend of the last five years is given below.



Working Capital Cycle:

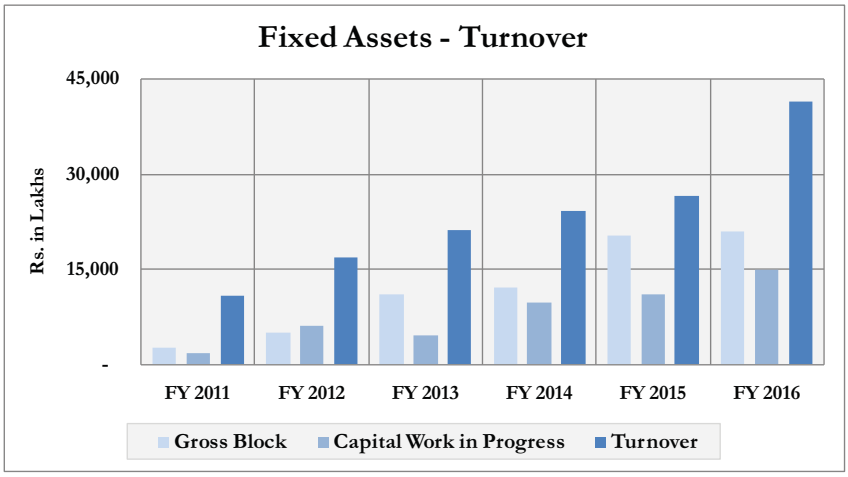
The Company is continuously reviewing the status of working capital cycle and taking the necessary steps to reduce the cycle by maintaining minimum inventories, bring down the receivables by focusing more on the exports etc. The progress on the working capital cycle is captured herein below:



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 is undergoing a phase II of expansion to extend capacity, it is still in progress and expected to be completed by Q4 of FY 2016-17.
- 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 during current financial year.
- The upgradation of facilities at M/s. Urdhwa Chemical Company Private Limited, a wholly owned subsidiary of the Company, is under progress and the facility will be made compliant to FDA requirement during current year.
- The Company's major manufacturing facility i.e. Unit No. V located at Chiplun has received much awaited Environment Clearance from the State Government. However, the sanctioning authorities have laid down certain conditions to be complied with, before commencement of the production. The management has taken initiative in that direction and expected to complete the process and commence production in near future.

Omkar Chemicals: Investing in Future Growth



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 (in %)
		Volumetric Capacity	Rated Capacity	Production in FY16	
Unit No 1, Badlapur	Inorganic Derivatives	600	400	**343.92**	85.98
Unit No 2, Badlapur	Organic Intermediates	1,025	600	**531.07**	88.51
Unit No 3, Badlapur	Dedicated facility for Selenium Sulphide	75	15	**11.60**	77.33
Unit No. 4, Badlapur	Centralize Warehouse	-	-	**-**	-
Unit No. 5, Chiplun	Organic Intermediates	-	-	**-**	-
Unit No. 6, Chiplun	Organic Intermediates	300	300	**37.14**	12.38
Lasa Laboratory Private Limited, Mahad	APIs (Veterinary)	600	600	**433.37**	72.23
Urdhwa Chemicals Company Private Limited, Chiplun	Organic Intermediates	2800	400	**339.58**	84.90
Rishichem Research Limited, Badlapur	Pilot plant for product commercialization	This facility is used for scaling up activity for products developed in R & D Laboratory.			
TOTAL		**5,400**	2315	**1696.68**	-

Unit VI was commenced in February 2015.

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 given product mix which is commonly being manufactured in the respective Unit. The aggregate capacity will therefore not match with the actual production in tonnage because the production in tonnage will depend on the following factors:

a) The number of stages involved in each product

b) The reaction time cycle in each stage of the process

c) The dilution involved in each of the process step

d) The type of product mix produced in a given quarter

Other factors which influence the tonnage capacity 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) Down time arising out of cleaning of equipments for changeover of products in line with the SOP

The percent utilization of the capacity may appear to vary marginally Q-o-Q on account of various factors listed above.

Installed capacities of manufacturing units of the Company are not dedicated for any single product. Installed capacities are interchangeable for different compounds based on product demand.

Considering the changes in product mix, multifunctioning capacities of the machineries and variation in production cycle of the product mix, predefining of production capacity of the machineries is not possible.

SWOT ANALYSIS:

1) **Strengths & Opportunities:**

The Company has a reasonably high level of infrastructure relating to manufacturing capacities, human resources, technical expertise, excellent customer relations, etc. on the basis of which the Company can go forward on capitalizing its strength for the growth of business.

Since the Company has completed the Capex needed for expansion of capacities, progressive utilization of the facilities will help fostering the growth. The Company can bank on its in-house R&D for development of new products, backward

integrations, quality improvements and cost reductions. Another important aspect which helps the Company in having its diverse portfolio of products is the fact that, the manufacturing capacities are fungible. The Company deals with majority of complex chemistry applications which are required for manufacture of speciality chemicals and APIs. This is possible on account of the entire in-house chain for R&D, pilot plant and scale up operations.

On account of dedicated teams for Quality Management and Quality Assurance, the Company is in a comfortable position to maintain the standards required for various products as desired by the customers. The role of both these teams is vital in adhering to our motto – Quality First.

The Company also complies with most of the regulatory requirements w.r.t. the customer audits, statutory audits related to manufacturing operations.

2) Risk Factors & Mitigation:

The speciality chemical industry by its very nature is required to be driven by R&D activities in view of the need for constant innovation in the product spectrum. A strong R&D set-up is also required for properly addressing issues relating to quality management and cost reductions. Since your Company has its own R&D Centre, the above issues are addressed as per the requirements. The said nature of speciality chemicals industry acts as one of the entry barrier for the new aspirants 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 well-being 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 increased 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.

Macro-economic conditions like the policy decisions of the Government, currency fluctuations, and volatility in commodity prices like crude oil can affect the business of the Company. However, since Company's major operations are related to pharmaceutical sector which is backed up by the strong domestic demand such risks are mitigated to some extent.

Human Resources:

The Company takes pride in commitment, competency and dedication shown by its employees in all areas of business. Your Company's human resource agenda continues to remain focused on reinforcing key thrust areas, building an exclusive culture and a strong talent pipeline, building capabilities in the organization and continuing to focus on progressive employee relations policy.

As on March 2016, 263 numbers of employees are on the Company's pay roll including its wholly owned subsidiaries. In addition, we also have contractual man power for executing various job requirements. As of March 31, 2016, we have hired an aggregate of 436 workers on contractual positions.

The current work force has a good mix of workers at all levels. The average age bracket of the employees represents a healthy mix of senior experienced personnel alongwith young enthusiastic individuals. HR Department has selected key performance indicators for different positions on the basis of which the performance of every employee is evaluated. The management believes that every individual should be given an opportunity to develop his/her potential.

Internal Control Systems

The Board is responsible for establishing and maintaining adequate internal financial control as per Section 134 of the Act.

Your Company has in place an adequate system of internal controls to ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. It has procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regards to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations. Key controls have been tested during the year and corrective and preventive actions are taken for any weakness.

The internal controls and governance process are duly reviewed for their adequacy and effectiveness through periodic audits by independent Internal Audit Function. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

M/s. Dipika D. Patel & Associates, Chartered Accountants, Mumbai is the Internal Auditor of the Company.

Subsidiaries:

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

Lasa Laboratory Private Limited

Lasa Laboratory Private Limited is the Unlisted Material Subsidiary Company of Omkar Speciality Chemicals Limited.

During the year under review, its turnover has increased from ₹7,100.42 lakhs in FY 2014-15 to ₹ 1,3611.39 lakhs in FY 2015-16, recording a 91.70% jump. Profit for the year was ₹ 1,121.11 lakhs compared to ₹ 769.02 lakhs in previous year.

The manufacturing facility of Lasa Laboratory Private Limited, located at C-105, Mahad Industrial Area, M.I.D.C., 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.

The Company has also purchased plot no. C-105/1 admeasuring 5200 Sq. mtrs. (adjoining the existing plot) in "Industrial" Zone of the Mahad Industrial Area, Village: Birwadi, Tal. Mahad, Dist. Raigad for enhancing production capacity of veterinary API.

Urdhwa Chemicals Company Private Limited

During the year under review, turnover of Urdhwa Chemicals Company Private Limited has decreased from ₹ 5,254.00 lakhs in FY 2014-15 to ₹ 4,186.03 lakhs in FY 2015-16. Profit for the year was ₹ 17.90 lakhs compared to loss of ₹ (166.45) lakhs in previous year.

Its manufacturing facility is located at Plot No. C-4, M.I.D.C., Lote Parshuram Industrial Area, in Ratnagiri district of Maharashtra.

Rishichem Research Limited

During the year under review, turnover of Rishichem Research Limited was ₹ 106.56 lakhs in FY 2015- 16 (₹ 106.56 lakhs in FY 2014-15).Profit for the year was ₹ 31.17 lakhs (₹ 32.33 lakhs in FY 2014-15).

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 carry out any business during the FY 2015-16. Further, the Company does not hold any physical assets or outside liabilities.

Lasa Supergenerics Limited

During the year, Lasa Supergenerics Limited was incorporated on March 11, 2016. It is an Unlisted Public Limited Company with Authorised Share Capital of ₹ 35,00,00,000/- (Rupees Thirty Five Crore Only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) each. The Company is incorporated with the object to manufacture, produce, or to otherwise deal in chemicals, organic and inorganic chemicals, their by-products, pharmaceuticals, drugs and other related products.

Rationale for Scheme of Arrangement

The Boards of Directors of Omkar Speciality Chemicals Limited (OSCL), Lasa Laboratory Private Limited (Lasa), Urdhwa Chemicals Company Private Limited (Urdhwa), Rishichem Research Limited (Rishichem), Desh Chemicals Limited (Desh) and Lasa Supergenerics Limited (Lasa Supergenerics) had on their respective meetings held on March 28, 2016 approved the merger

of Lasa, Urdhwa, Desh and Rishichem with OSCL and demerger of Veterinary API division into Lasa Supergenerics through a Composite Scheme of Arrangement.

The Scheme of Arrangement shall operate in the following two parts:

1. Merger of Lasa, Urdhwa, Rishichem and Desh with OSCL
2. Demerger of Veterinary API Undertaking of OSCL to Lasa Supergenerics

Benefits for merger of Lasa, Urdhwa, Rishichem and Desh with OSCL:

a) Opportunity to leverage combined assets and build a stronger sustainable business;

b) Reduction in managerial overlaps involved in operating multiple entities; ease and increase in operational and management efficiency; integration of business functions and cost savings;

c) Benefit of synergy and stability of operations leading to economies of scale through efficient utilization of resources and facilities by combining resources of all companies, expanding their activities, rationalizing and streamlining their management, businesses and finances as well as eliminating duplication of work in areas like accounts, Company law and tax assessments, common administrative services, reduction in regulatory/ procedural compliances and accordingly leading to synchronization of efforts to achieve uniform corporate policy and ease in decision making at the group level;

Benefits for demerger of Veterinary API undertaking of OSCL into Lasa Supergenerics:

a) OSCL basically has two businesses with divergent business profiles, growth potential, risk-rewards, regulatory and capital requirements and are largely independent of each other. The demerger would allow synergies in operations of the Veterinary API undertaking of OSCL and Lasa Supergenerics and unlock the value and realize the true potential of the both the companies, thus creating enhanced value for shareholders.

b) The demerger would allow a focused strategy in operations of the Veterinary API undertaking.

c) The demerger is in the interest of all the stakeholders including shareholders, creditors, employees, etc.

d) The demerger will enable both the OSCL and Lasa Supergenerics to focus and enhance their respective business operations by streamlining operations, achieving better and more efficient management, control and running of the businesses, achieving and fulfilling their objectives more efficiently and offer opportunities to the management of both the companies to vigorously pursue growth and expansion opportunities.

The Board of OSCL, Lasa, Urdhwa, Rishichem, Desh and Lasa Supergenerics has approved the following Share Entitlement Ratio, recommended by the independent valuer:

Shareholders of OSCL will get 1 (One) Equity share of ₹10/- each (Rupees Ten only), Fully Paid up Lasa Supergenerics for every 1 (One) Equity Share of ₹ 10/- (Rupees Ten only) each, Fully Paid up of OSCL.

The Composite Scheme is subject to the necessary statutory and regulatory approvals, including High Court(s), Stock Exchange(s), SEBI and respective shareholders & lenders and/ or creditors of each of the companies involved in the Composite Scheme. The appointed date of the Composite Scheme is April 1, 2015.

The summons for directions have been filed with the Hon'ble High Court(s) in the month July, 2016 and is in the due course for approval.

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.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

"Good corporate governance is about 'intellectual honesty' and not just sticking to rules and regulations, capital flowed towards companies that practiced this type of good governance. Organisations need to practice qualitative corporate governance rather than quantitative governance thereby ensuring it is properly run."

- Mervyn King (Chairman: King Committee on Corporate Governance)

Your Company considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders and firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key processes and systems with clear accountability, integrity, transparent governance practices and the highest standard of regulatory compliance.

The philosophy of your 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.

A Report on Compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India in Chapter No. IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations, 2015") is given below.

BOARD OF DIRECTORS:

The Board of Directors provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

- **Size & Composition of the Board:**

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors, with varied professional background. With a view to achieving a sustainable and balanced development, the Company witnesses diversity at the Board level, supporting the attainment of its strategic objectives and its sustainable development. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. As on March 31, 2016, the Board comprised of 13 (Thirteen) Directors out of which 9 (Nine) were Non-Executive Directors of which 7 (Seven) Directors were Independent Directors. The Board is chaired by full time Executive Director. Except Managing Director and Independent Directors, all other Directors are liable to retire by rotation.

- **Category and Attendance of Directors:**

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Name of Director	Category #	No. of Directorship(s) (Excluding the Company)*	No. of Committee Membership (Excluding the Company)@		Board Meetings		Attendance at last AGM
			Member	Chairman	Held	Attended	
Mr. Pravin Herlekar$	P.D & E.D	2	Nil	Nil	9	9	Yes
Mr. Omkar Herlekar$	P.D & E.D	2	Nil	Nil	9	9	Yes
Mrs. Anjali Herlekar $~	N.E.D	Nil	Nil	Nil	9	9	Yes
Mr. Rishikesh Herlekar $	E.D	2	Nil	Nil	6^	6	Yes
Adv. Sanjivani Patare	I.N.E.D	Nil	Nil	Nil	6^	6	Yes
Prof. (Dr.) Suhas Rane	I.N.E.D	Nil	Nil	Nil	9	7	Yes
Mr. Subhash Mali&	I.N.E.D	Nil	Nil	Nil	9	8	No
Dr. Vikas Telvekar	I.N.E.D	Nil	Nil	Nil	9	9	Yes
CA Sitendu Sharma	I.N.E.D	1	2	1	9%	8	Yes
Mr. Vikas Gadre	I.N.E.D	Nil	Nil	Nil	6^	6	Yes
Mr. Subhash Ghalke	I.N.E.D	Nil	Nil	Nil	6^	6	Yes
CA Laxmikant Kabra	N.E.D	2	3	1	9	9	Yes
Mr. Prakash Rao	E.D	Nil	Nil	Nil	6^	6	Yes

NOTES:

P.D – Promoter Director, E.D – Executive Director, N.E.D – Non-Executive Director and I.N.E.D – Independent Non-Executive Director.

* Directorship excludes Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships

@ Includes Audit Committee and the Stakeholders Relationship Committee only

$ Mr. Pravin Herlekar is husband of Mrs. Anjali Herlekar and Father of Mr. Omkar Herlekar and Mr. Rishikesh Herlekar. Apart from this, there are no inter-se relationships between the Board Members

% Appointed w.e.f. May 8, 2015

^ Appointed w.e.f. July 17, 2015

& Redesignated w.e.f. May 23, 2016

~ Resigned w.e.f. May 23, 2016

During the year under review, CA Sitendu Sharma was appointed as an Additional Director of the Company by the Board of Directors w.e.f. May 8, 2015. Adv. Sanjivani Patare, Mr. Vikas Gadre, Mr. Subhash Ghalke, Mr. Rishikesh Herlekar and Mr. Prakash Rao were appointed as Additional Directors of the Company by the Board of Directors w.e.f. July 17, 2015. Further, the members at the 10th Annual General Meeting held on September 26, 2015 approved their appointments.

None of the Directors of the Board holds office in more than twenty (20) Companies and in more than ten (10) Public Companies. None of Directors of the Board is a member of more than ten (10) Committees and Chairman of more than five (5) Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 of the SEBI Listing Regulations, 2015), across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

- **Board Diversity:**

Your Company has been fortunate to have eminent persons from diverse fields as Directors on its Board. All Directors possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. They collectively bring with them a range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

Pursuant to SEBI Listing Regulations, 2015, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is uploaded on the Company's website and can be accessed through web link (http://www.omkarchemicals.com/Policies/Board-Diversity-Policy.pdf).

- **Familiarization Programme for Board Members:**

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Senior management personnel of the Company make presentations to the Board Members on periodic basis, briefing them on the operations of the Company, plans, business strategy, risks involved, new initiatives, global business environment, etc., and seek their opinions and suggestions on the same. 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. The Board Members are also provided with necessary documents/ brochures, reports and internal policies.

Non-Executive Directors who are inducted on the Board are given an orientation about the company, its operations, services, details of subsidiaries, Board procedures and processes and major risks and risk management strategies. Further, the Chairman and Managing Director have one-to-one discussion with newly appointed Directors to familiarize them with the Company.

Details of Familiarization Programs for Independent Directors are available on the website of the Company and can be accessed through web link (http://www.omkarchemicals.com/Policies/Familiarisation-Programme.pdf).

- **Meetings of the Board:**

The Board meets in executive session, at least 4 (four) times during a Financial Year, mostly at the quarterly intervals inter alia to review quarterly financial statements and other items on the Agenda. Additional meetings are held, if deemed necessary, to conduct the business. 9 (Nine) Board Meetings were held during the year and the gap between two meetings did not exceed 120 (One Hundred And Twenty) days. The necessary quorum was present for all the meetings. During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, 2015, has been placed before the Board for its consideration.

Board meeting held during the Financial Year 2015-16 are detailed below:

Date of Board Meeting	Board Strength	No. of Directors Present
May 8, 2015	8	7
May 18, 2015	8	7
June 2, 2015	8	7
July 17, 2015	13	13
August 9, 2015	13	13
October 23, 2015	13	12
December 12, 2015	13	13
February 8, 2016	13	13
March 28, 2016	13	13

- **Independent Directors:**

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. They help to maintain the independence of the Board and separate the Board functions of governance from business management.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website. The maximum tenure of Independent Directors is in compliance with the Act. None of the Independent Directors serve as Independent Directors in more than seven (7) listed companies, complying with the requirements of SEBI Listing Regulation, 2015. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 read with Section 149(6) of the Act. They have also confirmed their Directorship in other companies and their committees.

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 20, 2016, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 of SEBI Listing Regulation, 2015. The Independent Directors at the meeting evaluated:

- Performance of Non-Independent Directors and the Board of Directors as a whole;
- Performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors;

- Quality, content and timelines of flow of information between the Management and Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present throughout the Meeting and Prof. (Dr.) Suhas Rane chaired the meeting. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at a Board level.

BOARD COMMITTEES:

Your Company has five (5) Committees of the Board of Directors viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee as on March 31, 2016.

The Board Committees are represented by a judicious mix of Executive and Non-Executive Directors. All committees are chaired by Independent Directors. The Committees deliberate on the matters assigned or referred to them by the Board or as mandated by the statutes. Recommendations of the Committees are submitted to the Board for Board's decision. The minutes of all Committee meetings are circulated to the Board members for noting.

AUDIT COMMITTEE:

The role of the Audit Committee flows directly from the Board of Director's overview function on Corporate Governance, which holds the management accountable to the Board and the Board accountable to the stakeholders. The Audit Committee ensures prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment. The members of the Audit Committee have wide exposure and knowledge in area of accounts, audit, finance, taxation, internal controls etc.

- **Terms of reference:**

The Committee performs the functions as enumerated in Section 177 of the Act and SEBI Listing Regulation, 2015. These broadly includes (i) developing an annual plan for Committee (ii) reviewing of financial reporting processes, (iii) reviewing of risk management, internal control and governance processes, (iv) conducting discussions on quarterly, half yearly and annual financial statements and the auditor's report, (v) conducting interaction with statutory, internal and cost auditors to ascertain their independence and effectiveness of audit process, (vi) recommending appointment, remuneration and terms of appointment of auditors and (vii) reviewing risk management framework concerning the critical operations of the Company.

All the items listed in the Act and SEBI Listing Regulation, 2015 are covered in the Terms of Reference of the Audit Committee. The scope and terms of reference and working of the Audit Committee are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. Terms of Reference of Audit Committee is as detailed below:

(1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a) 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;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions;

   (g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the company with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the company, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) 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;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) 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;

(16) 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;

(17) 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;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Necessary information such as Management Discussion and Analysis of financial performance and results of operations, statement of significant related party transactions submitted by the management, management letters/ letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, the terms relating to Internal Auditors, statement of deviations, etc. as required by SEBI Listing Regulation, 2015 are reviewed by the Audit Committee.

The Audit Committee is empowered to do the following:

i. To investigate any activity within terms of reference;

ii. To seek information from any employee;

iii. To obtain outside legal professional advice; and

iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

- **Composition and other Details of Audit Committee:**

As on March 31, 2016, the Audit Committee comprised of four (4) Non-Executive Directors, three (3) of which were Independent Directors. The Audit Committee was re-constituted on July 17, 2015, comprising of CA Sitendu Sharma, Prof. (Dr.) Suhas Rane, Mr. Vikas Gadre and CA Laxmikant Kabra. The Audit Committee is chaired by CA Sitendu Sharma. All members of the Audit Committee are financially literate and have expertise in accounting and financial management.

In addition to the Audit Committee members, Chief Financial Officer, Heads of Finance and Accounts, Internal Auditors, Cost Auditors, Statutory Auditors and other executives are invited to the Audit Committee Meetings, on need basis.

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

- **Internal Audit and Control:**

M/s. Dipika D. Patel & Associates, Chartered Accountants, Mumbai is the Internal Auditor of the Company. Internal Audit Plan and their remuneration is approved by the Audit Committee. The reports and findings of the Internal Auditor and the Internal Control System are periodically reviewed by the Audit Committee.

- **Meetings and Attendance:**

The Audit Committee met seven (7) times during the Financial Year 2015-16 and maximum gap between two(2) consecutive meetings was not more than one hundred and twenty (120) days. Details of the attendance of the members of the Audit Committee at its meetings held during the Financial Year 2015-16 are given below:

Meetings	Name of Director/ Attendance&			
	CA Sitendu Sharma – Chairman*	Prof. (Dr.) Suhas Rane	Mr. Vikas Gadre@	CA Laxmikant Kabra#
May 18, 2015	P	A	NA	NA
June 2, 2015	P	A	NA	P
July 17, 2015	P	P	NA	P
October 23, 2015	P	P	P	P
December 12, 2015	P	P	P	P
February 8, 2016	P	P	P	P
March 28, 2016	P	P	P	P

P-Present, A-Absent, NA- Not Applicable

NOTES:

* Appointed w.e.f. May 8, 2015

@ Appointed w.e.f. July 17, 2015

\# Appointed w.e.f. May 18, 2015

& Mr Pravin S. Herlekar ceased to be a Member of Audit Committee w.e.f. May 18, 2015. He attended one meeting held on May 18, 2015.

The Chairman of the Audit Committee, CA Sitendu K. Sharma, was present at the Annual General Meeting of the Company held on September 26, 2015.

NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee meets with the requirements of the provisions of Section 178(1) of the Act and Regulation 19 of SEBI Listing Regulations, 2015.

- **Terms of reference:**

All the items listed in the Act and SEBI Listing Regulations, 2015 are covered in the Terms of Reference of the Nomination and Remuneration Committee. The scope and terms of reference and working of the Nomination and Remuneration Committee are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. Terms of Reference of Nomination and Remuneration Committee are as detailed below:

(1) 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;

(2) 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;

(3) Formulation of criteria for evaluation of performance of Independent Directors and the Board Devising a policy on Board diversity;

(4) 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.

(5) Taking an overview of human resources & industrial relations policies of the Company.

(6) Any other matter that may be referred by the Board from time to time.

- **Composition and other Details of Nomination and Remuneration Committee:**

As on March 31, 2016, the Nomination and Remuneration Committee comprised of five (5) Non-Executive Independent Directors, all of them were Independent Directors,. The Committee was re-constituted on May 23, 2016 and is comprising of Mr. Subhash Ghalke, Prof. (Dr.) Suhas. Rane, Dr. Vikas Telvekar and Mr. Vikas Gadre. The Committee is chaired by Mr. Subhash Ghalke.

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

- **Meetings and Attendance:**

The Nomination and Remuneration Committee meets in the first quarter of the Financial Year to recommend to the Board, the commission to be paid to the Directors, the Directors retiring by rotation to be reappointed at the Annual General Meeting etc. Apart from this, the Nomination and Remuneration Committee meets as and when there is any business to be transacted which has been assigned to it.

During the year under review, the Nomination and Remuneration Committee met four (4) times. Details of the attendance of the members of the Nomination and Remuneration Committee at its meetings held during the Financial Year 2015-16 are given below:

Date of the Meetings	Name of Director/ Attendance				
	Prof. (Dr.) Suhas Rane – Chairman/ Member*	Mr. Subhash Ghalke – Chairman^	Mr. Subhash Mali – Member#	Dr. Vikas Telvekar – Member	Mr. Vikas Gadre – Member$
May 8, 2015	P	NA	P	P	NA
July 17, 2015	P	NA	P	P	NA
December 12, 2015	P	P	P	P	P
February 8, 2016	P	P	P	P	P

P-Present, A-Absent, NA- Not Applicable

NOTES:

* Ceased to be the Chairman w.e.f. July 17, 2015

^ Appointed as the Chairman w.e.f. July 17, 2015

$ Appointed as a Member w.e.f. July 17, 2015

\# Ceased to be a Member w.e.f. May 23, 2016

The Chairman of the Nomination and Remuneration Committee, Mr. Subhash Ghalke, was present at the Annual General Meeting of the Company held on September 26, 2015.

- **Performance Evaluation of the Board, its Committees and Individual Directors:**

Pursuant to the provisions of the Act and the SEBI Listing Regulation, 2015 the Nomination and Remuneration Committee and the Board of Directors had carried out an annual evaluation of its own performance and that of its Committees and individual Directors.

The performance evaluation criteria were determined by the Nomination and Remuneration Committee. A structured questionnaire was prepared by Nomination and Remuneration Committee after taking into consideration the various aspects such as participation at Board/ Committee Meetings, Board functioning, knowledge and skill, personal attributes, Board composition and quality, Board Meetings and procedures, Board strategy and risk management, Board and Management Relations etc. The Nomination and Remuneration Committee reviewed the performance of the Board, its Committees and of the Directors. The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performances of the Committees were evaluated by the Board seeking inputs from the Committee members.

Further, the Independent Directors had their separate meeting without the attendance of Non-Independent directors and members of management wherein they reviewed the performance of the Board as whole, its Chairman and Non-Executive Directors and other items as stipulated under the Act. Recommendations and suggested areas of improvement for the Board, its various committees were considered by the Board.

REMUNERATION OF DIRECTORS:

- **Nomination And Remuneration Policy:**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The nomination and remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The compensation of the Executive Directors comprises of fixed component, perquisites and commission. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Committee. The Non-Executive Directors are paid sitting fees for attending meetings of Board/ Committees.

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 are 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 there under, 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.

Detailed Nomination and Remuneration Policy, as adopted by the Board, is placed on the Company's website and can be accessed through the web link: (http://www.omkarchemicals.com/Policies/Nomination-Remuneration-Policy.pdf).

Criteria of making payments to Non-Executive Directors is placed on the website of the Company and can be accessed through the web link: (http://www.omkarchemicals.com/Policies/Criteria-of-Making-Payments-to-Non-Executive-Directors.pdf).

- **Details of Remuneration to all Directors:**

Remuneration payable to the Directors is considered and approved by the Nomination and Remuneration Committee constituted in accordance with the SEBI Listing Regulation, 2015 and the provisions of the Act, having due regard to the relevant factors. Non-Executive Directors (except Mrs. Anjali Herlekar) are being paid sitting fees of ₹ 12,500/- for attending each meeting of Board of Directors and ₹ 10,000/- for each meeting of the Committees of the Board of Directors. ₹ 10,000/- was also paid as sitting fees

to the Independent Directors who attended the Meeting of the Independent Directors. The Company also reimburses the out-of-pocket expenses incurred by the Non-Executive Directors for attending the meetings. Executive Directors are not paid sitting fees for attending the Meetings of the Board and its Committees.

The details of remuneration paid to each Director for the Financial Year ended March 31, 2016 alongwith their Shareholdings, are as under:

(Amount in ₹)

Sr. No.	Name of Director	Equity Shares held	Salary and Perquisites	Commission	Sitting Fees*	Total Remuneration
1	Mr. Pravin Herlekar$	1,02,58,874#	60,00,000	1,11,36,428	NA	1,71,36,428
2	Mr. Omkar Herlekar$	8,84,483	18,00,000	77,00,000	NA	95,00,000
3	Mr. Rishikesh Herlekar$	7,66,510	4,76,794	Nil	NA	4,76,794
4	Mrs. Anjali Herlekar$	12,08,240	NA	Nil	Nil	Nil
5	Adv. Sanjivani Patare	Nil	NA	Nil	1,05,000	1,05,000
6	Prof. (Dr.) Suhas Rane	Nil	NA	Nil	2,27,500	2,27,500
7	Mr. Subhash Mali	Nil	NA	Nil	1,50,000	1,50,000
8	Dr. Vikas Telvekar	Nil	NA	Nil	1,62,500	1,62,500
9	CA Sitendu Sharma	Nil	NA	Nil	2,20,000	2,20,000
10	Mr. Vikas Gadre	Nil	NA	Nil	1,55,000	1,55,000
11	Mr. Subhash Ghalke	Nil	NA	Nil	1,05,000	1,05,000
12	CA Laxmikant Kabra	35,500	NA	Nil	1,82,500	1,82,500
13	Mr. Prakash Rao	Nil	8,01,217	Nil	NA	8,01,217

NA- Not Applicable

NOTES:

$ Mr. Pravin Herlekar is husband of Mrs. Anjali Herlekar and Father of Mr. Omkar Herlekar and Mr. Rishikesh Herlekar. Apart from this, there are no inter-se relationships between the Board of Directors.

* Inclusive of all Taxes

\# Mr. Pravin S. Herlekar has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016. After considering the aforesaid transaction, the total no. of shares held by Mr. Pravin S. Herlekar are 1,05,48,874 consisting of 51.26%.

Your Company has no stock option plans and hence, such instrument does not form part of the remuneration package payable to any Executive Director and/ or Non-Executive Director. The Company does not have any policy for severance fees or any other payment to the directors. No pension will be paid by the Company to any of the Directors. Your Company did not advance any loans to any of the Executive and/ or Non-Executive Directors during the period under review.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provisions of Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations, 2015, Stakeholders Relationship Committee of the Board has been constituted to especially look into the mechanism of redressal of grievances of stakeholders.

- **Terms of reference:**

The Stakeholders Relationship Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional terms of reference of the Stakeholders Relationship Committee are:

(1) Approve and monitor the process of transfer, transmission, splitting, consolidation and dematerialization and rematerialisation, etc. and other securities related formalities.

(2) Review and oversee the process of resolving of shareholders /investors/ security-holders grievances.

(3) Review the performance of Bigshare Services Private Limited, Registrar and Share Transfer Agent, and also recommend measures for overall improvement for better investor services.

(4) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

- **Composition and other Details of Stakeholders Relationship Committee:**

As on March 31, 2016, the Stakeholders Relationship Committee comprised of four (4) Directors, three (3) of whom were

Independent Directors. The Board, in its meeting held on July 17, 2015, had reconstituted the composition of the Stakeholders Relationship Committee.Prof. (Dr.) Suhas Rane, CA Sitendu Sharma and Mr. Omkar Herlekar are the members. The Committee is chaired by Adv. Sanjivani Patare, Non- Executive Independent Director.

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

- **Meetings and Attendance:**

The Stakeholders Relationship Committee met four (4) times during the Financial Year 2015-16. Details of the attendance of the members of the Stakeholders Relationship Committee at its meetings held during the Financial Year 2015-16 are given below:

Name of the Committee Member	Position	Committee Meetings Held	Committee Meetings Attended
Adv. Sanjivani Patare, Chairperson	Independent, Non- Executive Director	2$	2
Prof. (Dr.) Suhas Rane	Independent, Non- Executive Director	4	3
CA Sitendu Sharma	Independent, Non- Executive Director	4@	4
Mr. Omkar Herlekar	Whole Time Director	4	4

NOTES:

@ Appointed w.e.f. May 8, 2015

$ Appointed w.e.f. July 17, 2015

- **Investor Grievances:**

Number of Shareholders complaints received during Financial Year 2015-16: NIL

Number not resolved to the satisfaction of Shareholders: NIL

Number of Complaints pending/ unattended: NIL

Number of share transfers remained pending for over 15 days during Financial Year 2015-16: NIL

The Securities and Exchange Board of India has initiated a platform for redressing the investor grievances through SCORES, a web based complaints redressal system. The system processes complaints in a centralized web based mechanism. The company is in compliance with this system. Further, the company has periodically filed a statement detailing investor complaints with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Name, designation and address of the Chief Investor Relation Officer:
Mr. Pravin J. Agrawal
Chief Financial Officer
B-34, MIDC, Badlapur (East), Thane – 421 503
Tel.No.91-251-2690651
Fax No.: 91-251-2697347
Email: agrawal@omkarchemicals.com

Name, designation and address of the Compliance Officer:
Mr. Sunny Pagare
Company Secretary
B-34, MIDC, Badlapur (East), Thane – 421 503
Tel.No.91-251-2690651
Fax No.: 91-251-2697347
Email: cs@omkarchemicals.com

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee's constitution meets with the requirements of the provisions Section 135 of the Act.

- **Terms of reference:**

The purpose of the Committee is to formulate Corporate Social Responsibility (CSR) Policy of the Company and monitor its implementation. Terms of Reference of Corporate Social Responsibility Committee is as detailed below:

1) To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made there under;
2) To recommend the amount of expenditure to be incurred on the CSR activities;
3) To monitor the implementation of the framework of the CSR Policy;
4) 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.

- **Composition and other Details of Corporate Social Responsibility Committee:**

As on March 31, 2016, the Corporate Social Responsibility Committee comprised of six (6) Directors including two (2) Independent Directors of the Company. The Board, in its meeting held on May 23, 2016, reconstituted the Corporate Social Responsibility Committee, comprising of Mr. Vikas Gadre, Prof. (Dr.) Suhas Rane, CA Laxmikant Kabra, Mr. Pravin Herlekar and Mr. Prakash Rao. Mr. Vikas Gadre is the Chairman of the Committee.

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

- **Meetings and Attendance:**

During the year under review, the Corporate Social Responsibility Committee met once on February 8, 2016. All members attended the meeting.

Name of the Committee Member	Position	Committee Meetings Attended
Mr. Vikas Gadre, Chairman	Independent, Non- Executive Director	1
Prof. (Dr.) Suhas Rane	Independent, Non- Executive Director	1
CA Laxmikant Kabra	Non- Executive Director	1
Mrs. Anjali Herlekar	Non- Executive Director	1
Mr. Pravin Herlekar	Chairman & Managing Director	1
Mr. Prakash Rao	Executive Director	1

As per Section 135, the Company was required to spend ₹ 46.79 Lakhs for the Financial Year 2015-16.

The CSR Policy, as approved by the Board, has been placed on the Company's website and can be accessed through the web link: (http://www.omkarchemicals.com/Policies/CSR-policy-.pdf).

RISK MANAGEMENT COMMITTEE:

The Risk Management Committee was voluntarily constituted by the Company.

- **Terms of reference:**

The Committee lays down procedures to inform Board members about the risk assessment and minimisation procedures and the Board is responsible for framing, implementing and monitoring the risk management plan of the Company. Terms of Reference of Risk Management Committee are as detailed below:

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

- **Composition and other Details of Risk Management Committee:**

As on March 31, 2016, the Risk Management Committee comprised of four (4) Directors including two (2) Independent Directors of the Company. The Board, in its meeting held on May 23, 2016, reconstituted the Risk Management Committee, comprising of CA Sitendu Sharma, Mr. Omkar Herlekar and Mr. Rishikesh Herlekar. CA Sitendu Sharma is the Chairman of the Committee.

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

During the year under review, no meeting of the Risk Management Committee was held.

RESOURCE COMMITTEE:

The Resource Committee was voluntarily constituted by the Company on May 23, 2016.

- **Terms of reference:**

Terms of reference of Resource Committee are as follows:-

1. To approve and monitor investment for an amount not exceeding ₹ 10,00,00,000/-(Rupees Ten Crores Only) in any one Committee Meeting and subject to maximum of ₹ 30,00,00,000/- (Rupees Thirty Crores Only) between two Board Meetings and to monitor the ongoing projects and to review the project progress reports for various project and review Capital Investment and Expenditure related to the same;
2. To borrow, otherwise than on debentures, money for the purpose of Company's business at any one time not exceeding 10,00,00,000/-(Rupees Ten Crores Only);
3. To approach any financial Institution, Banks and or any other bodies corporate on behalf of the Company;
4. To provide Corporate Guarantee to any of its Associate/Group / Subsidiary Companies;
5. To negotiate the terms and conditions of the financial assistance on behalf of the Company;
6. To approve draft and authorise execution of the Loan Agreement(s), Deed(s) of Hypothecation and other documents, including undertaking(s) and/or declarations, agreements and other papers which the Company may be required to sign for availing any financial assistance;
7. To affix Common seal of the Company in accordance with the Articles of Association of the Company on Loan Agreement(s), Deed(s) of Hypothecation and other documents which the Company may be required to sign for availing any financial assistance;
8. To authorize opening and closing of bank accounts;
9. To authorize additions/ deletions to the signatories pertaining to banking transactions;
10. To delegate authority to the Company officials to represent the Company at various courts and any government authorities;
11. To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference.

- **Composition and other Details of Resource Committee:**

The Resource Committee comprises of six (6) Directors including two (2) Independent Directors of the Company. Mr. Omkar P. Herlekar, Mr. Rishikesh P. Herlekar, Mr. Subhash N. Ghalke, CA Laxmikant R. Kabra and CA Sitendu K. Sharma acts as the members of the Committee. Mr. Pravin S. Herlekar acts as the Chairman of the Committee.

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

- **SUBSIDIARY COMPANIES:**

Regulation 16 of SEBI Listing Regulations, 2015 defines "material subsidiary" as subsidiary, whose income or net worth exceeds twenty (20) percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Lasa Laboratory Private Limited, wholly owned subsidiary, of the Company is an unlisted material subsidiary, incorporated in India. CA Sitendu K. Sharma, Independent Director of your Company, was appointed as a Director on the Board of Director of Lasa Laboratory Private Limited w.e.f. August 1, 2015. Audit Committee of your Company has reviewed the Financial Statements of all subsidiaries of the company including investments made by them. For more effective governance, the minutes of Board Meetings of all subsidiaries of the company were placed before the Board of the company for its review. The Board of Directors of the company reviewed periodically, the statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

The Policy for dealing with the Material Subsidiary Company has been placed at website and can be accessed through the web link: (http://www.omkarchemicals.com/Policies/RPT%20%20&%20Material%20Non-listed%20Subsidiaries.pdf).

- **CODE OF CONDUCT:**

Code of Conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is also posted on the Company's website www.omkarchemicals.com

The Company has a comprehensive Code of Conduct for prevention of insider trading and code of practices and procedures for fair disclosure of un-published price sensitive information in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, which is effective from May 15, 2015. The Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders. The Company has obtained annual declaration from Directors and Senior Management affirming their compliance to the Code of Conduct for the current year. The Chairman has affirmed to the Board of Directors that this Code of Conduct has been complied with by the Board members and Senior Management and a declaration to this effect forms part of this report.

- **GENERAL BODY MEETINGS:**
- **Location and time of the Company's last three Annual General Meetings with details of Special Resolution passed:**

Financial Year	**2012-13**	**2013-14**	**2014-15**
Date	August 13, 2013	August 9, 2014	September 26, 2015
Time	10.30 a.m.	10.30 a.m.	11.00 a.m.
Venue	Sanjeevani Hall, Near Monginis Cake Shop, Badlapur (East) – 421503, Thane		
Details of Special Resolutions passed	N.A.	1. Adoption of New Articles of Association of the Company	1. Re-Appointment of Mr. Pravin Herlekar as Chairman and Managing Director and Mr. Omkar Herlekar as Whole Time Director. 2. Appointment of Mr. Rishikesh Herlekar and Mr. Prakash Rao as an Executive Director. 3. Grant of Employee Stock Options to the employees of the Company under OSCL ESOP 2015. 4. Grant of Employee Stock Options to the employees of the Subsidiary Companies of the Company under OSCL ESOP 2015. 5. 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 anyone Financial Year to identified employees under OSCL ESOP 2015.

- **Postal Ballot Resolution:**

No Special Resolution(s) was passed through postal ballot during the previous year. At present, no Special Resolution(s) is proposed to be passed through postal ballot. Special resolutions, by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

V. MEANS OF COMMUNICATION

The Company uses a wide array of communication tools including face-to-face, online and offline channels to ensure that information reaches all the stakeholders in their preferred medium.

The quarterly and the half yearly results, published in the format prescribed by the SEBI Listing Regulations, 2015 read with the Circular issued there under, are approved and taken on record by the Board of Directors of the Company. The Quarterly Results are immediately sent to the Stock Exchanges and filed electronically through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites. Investor grievances are redressed through SEBI Complaints Redress System (SCORES).

The quarterly and half-yearly reports are not separately sent to each Shareholder. However, the Company provides the same to individual Shareholders, if requested. The Company has been sending Annual Reports, notices and other communications to the Shareholders through e-mail, post or courier.

Quarterly, half-yearly and annual financial results, along with the Notes, of the Company as per the statutory requirement under SEBI Listing Regulations, 2015 are published within the stipulated time in leading newspapers, as under:

Newspapers	Date of publication of results for the Quarter ended			
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015
Business Standard (All Editions) (English)	June 4, 2015	July 21, 2015	October 25, 2015	February 9, 2016
Mumbai Lakshdeep (Mumbai) (Marathi)	June 4, 2015	July 21, 2015	October 25, 2015	February 9, 2016

In addition to the above, the Company holds conference call with financial analysts as and when required. The transcript of the said concall is uploaded on the Company's website at (http://www.omkarchemicals.com).

Comprehensive information about the Company, its businesses and operations and press releases can be viewed on the Company's website at (www.omkarchemicals.com).

The "Investor Relations" section on the website gives information relating to financial results, annual reports, scheme of arrangement, schedule of Analyst/ Institutional Investor meetings and presentations made to analysts and at Annual General Meetings. Information about unclaimed dividends is also available on the website, under the head "Unclaimed/ Unpaid Dividend".

The quarterly shareholding pattern, official news releases, presentations made to Institutional Investors and Analysts, etc. are uploaded on NEAPS and BSE Listing Centre of NSE and BSE respectively and also posted on the Company's website.

Material events or information, as detailed in Regulation 30 of the SEBI Listing Regulations, 2015, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Listing Centre. They are also displayed on the Company's website.

The Company has a dedicated help desk with E-mail ID: investor@omkarchemicals.com for providing necessary information to the investors.

Table below gives a snapshot of the communication channels used by the Company to communicate with its stakeholders:

Particulars	Board Meetings	Shareholder Meetings	Formal Notices	Website Information	Press / Web Releases	Annual Reports
Board of Directors	√	√	√	√	√	√
Employees	-	-	-	√	√	√
Shareholders	-	√	√	√	√	√
Financial Analysts	-	-	-	√	√	√
General Public	-	-	-	√	√	-
Frequency	**Quarterly**	**Annually**	**Event Based**	**Event Based**	**Event Based**	**Annually**

- **GENERAL SHAREHOLDER INFORMATION:**

Date, Time and Venue of AGM	Monday, September 26, 2016 at 04:30 p.m. at Sanjeevani Hall, near Monginis cake shop, Badlapur (E), Thane – 421503.

a. Financial Year	April 1 to March 31	
b. Tentative Financial Calendar	**Results for Quarter Ending**	**To be published**
	June, 2016	On or before August 14, 2016
	September, 2016	On or before November 14, 2016
	December, 2016	On or before February 14, 2017
	March, 2017	On or before May 30, 2017

Dividend	a. Payment Date: The final dividend, if declared, by the shareholders at the ensuing Annual General Meeting shall be paid within 30 days from the day of declaration. b. Date of Book Closure: September 19, 2016 to September 26, 2016 (Both days inclusive)

Name & Address of Stock Exchanges	**Stock Code/ Symbol**	**ISIN Number for NSDL/ CDSL** (Dematerialized shares)
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	533317	INE474L01016
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	OMKARCHEM	

Annual Listing Fee and Annual Custodial Fee:	The Company has paid the Annual Listing Fees of the Stock Exchanges and Annual Custodial Fees of the Depositories for the Financial Year 2016-2017.

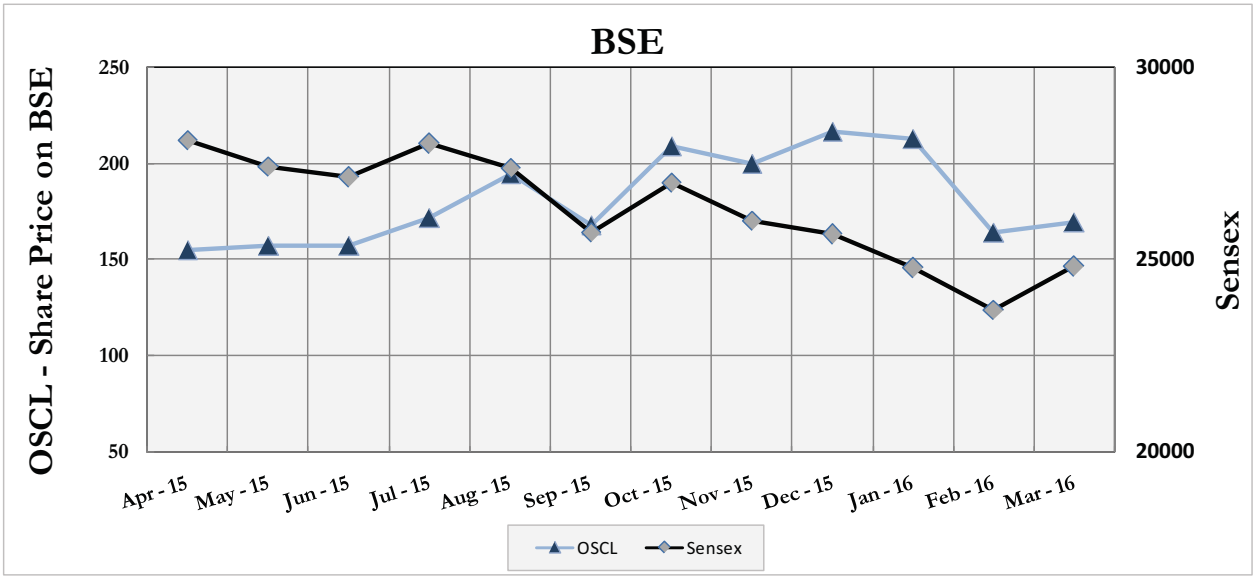
- **Stock Price Data:**

Market Price Data - Monthly High/ Low of BSE/ NSE depicting liquidity of the Company's Equity Shares on the said exchanges is given hereunder:

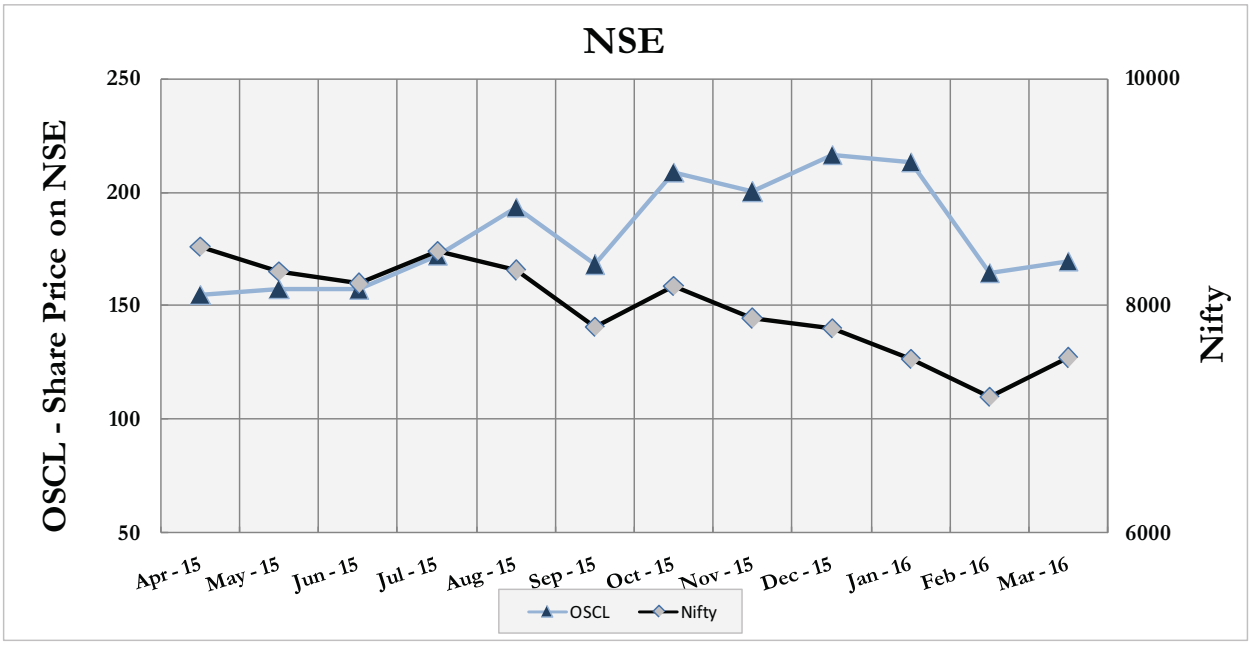
Month	**BSE**			**NSE**		
	High (₹)	**Low (₹)**	**Volume**	**High (₹)**	**Low (₹)**	**Volume**
April 2015	171.50	138.00	587582	171.00	140.05	1228983
May 2015	167.30	138.60	791525	168.35	138.35	1221878
June 2015	187.00	151.00	658756	190.50	150.20	1113167
July 2015	217.10	155.00	2281589	217.20	155.20	7870480
August 2015	224.00	155.00	1444699	223.90	155.50	5688596
September 2015	197.30	158.00	816414	197.95	157.80	3159554
October 2015	241.50	187.50	1603280	241.40	188.00	4820022
November 2015	224.00	189.60	1219834	224.00	188.95	1764417
December 2015	241.50	195.00	1872161	241.40	195.90	4341666
January 2016	249.10	178.70	1104955	249.90	179.60	3534981
February 2016	202.00	143.70	455877	201.90	143.05	1749749
March 2016	184.80	150.70	494067	184.80	151.10	1692944

Graphical presentation of movement of Company's Stock Price as compared to Nifty and Sensex from April 1, 2015 to March 31, 2016 is as follows:

Stock Price Data: BSE Limited(Sensex)



Stock Price Data: National Stock Exchange of India Limited (Nifty)



- **Share Transfer System:**

Trading in Equity Shares of the Company through recognized Stock Exchanges is permitted only in dematerialised form. The Company has appointed M/s. Bigshare Services Private Limited as its Registrars and Share Transfer Agents. Share transfers are processed and the share certificates duly endorsed are returned within a period of thirty (30) days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfers/ transmission etc. of the Company's shares to the Stakeholder's Relationship Committee of the Board, which meets regularly to approve the share transfers and other related work. A summary of transfer/ transmission etc. of shares of the Company so approved by the said committee is placed periodically before the Board at its meeting. As of March 31, 2016, there were no pending share transfers pertaining to the year under review. The Company also obtains a half yearly certificate of compliance with the share transfer

formalities as required under Regulation 40(9) of the SEBI Listing Regulation, 2015, from a Practicing Company Secretary and files the same with BSE & NSE. Further, the company periodically files with BSE & NSE, a certificate stating that all activities in relation to both physical and electronic share transfer facility are in compliance.

For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., shareholders should communicate with Bigshare Services Private Limited.

- **Distribution of Shareholding as on March 31, 2016:**

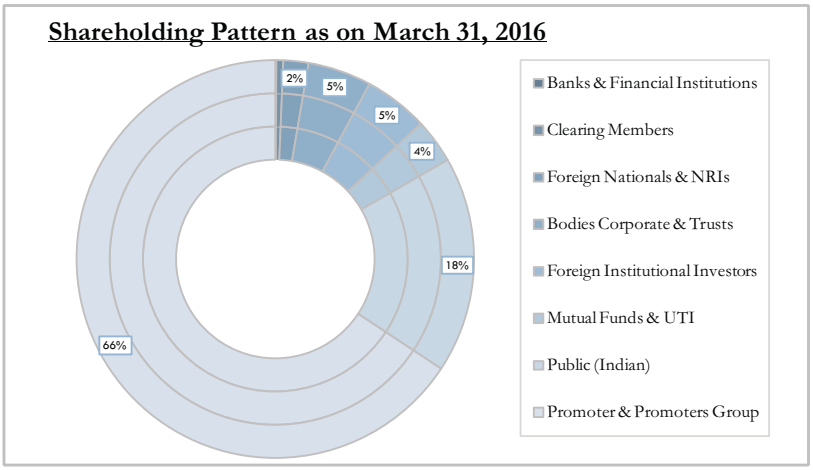
Shareholding Nominal value		Shareholders		Total Shares	Shares amount Nominal Value	
From	To	No.	%		No.	%
1	5000	8170	84.72	1074792	10747920	5.22
5001	10000	695	7.21	550608	5506080	2.68
10001	20000	388	4.02	578606	5786060	2.82
20001	30000	98	1.02	253779	2537790	1.23
30001	40000	70	0.73	248662	2486620	1.21
40001	50000	56	0.58	259450	2594500	1.26
50001	100000	81	0.84	568786	5687860	2.76
100001	& above	85	0.88	17043321	170433210	82.82
TOTAL		**9643**	**100.00**	**20578004**	**205780040**	**100.00**

- **Categories of shareholders:**

Category	Shares As on March 31, 2016		Shares As on March 31, 2015	
	No.	%	No.	%
Promoter & Promoters Group$	**13520547**	**65.70**	12977644	63.07
Mutual Funds & UTI	**745963**	**3.63**	2363755	11.49
Banks and Financial Institutions	**17580**	**0.09**	284920	1.38
Foreign Institutional Investors	**1072665**	**5.21**	331357	1.61
Bodies Corporate & Trusts	**1066451**	**5.18**	2194979	10.67
Foreign Nationals and NRIs	**419868**	**2.04**	55655	0.27
Indian Public	**3620399**	**17.59**	1938509	9.42
Clearing Members	**114531**	**0.56**	431185	2.10
Total	**20578004**	**100**	20578004	100

NOTES:

$ Mr. Pravin S. Herlekar, Promoter, has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016 as against 8,32,903 as on March 31, 2015. 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%.



- **Statement showing Shareholding more than 1% of the Share Capital as on March 31, 2016:**

Sr. No.	Names of Shareholders	Number of Shares	Percentage of Capital
1	Pravin Herlekar*$	10258874	49.85
2	Anjali Herlekar*	1208240	5.87
3	Omkar Herlekar*	884483	4.30
4	Rishikesh Herlekar*	766510	3.72
5	Driehaus Emerging Markets Small Cap Growth Fund, A Series Of Driehaus Mutual Funds	730155	3.55
6	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Pure Value Fund	670010	3.26
7	Svaks Biotech India Private Limited*	380000	1.85
8	Master Trust Limited	290000	1.41
9	Premier Investment Fund Limited	238543	1.16

NOTES:

* Promoters & Promoters Group

$ Mr. Pravin S. Herlekar, Promoter, has created encumbrance on 2,90,000 shares, which are not reflected in the beneficial position received from the depositories as on March 31, 2016 as against 8,32,903 as on March 31, 2015. 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%.

- **Dematerialization of Shares and Liquidity:**

The Company's Equity Shares have been dematerialised with the Central Depository Services (India) Limited (CDSL) and the National Securities Depository Limited (NSDL). The International Security Identification Number (ISIN) is an identification number for traded shares. This number is to be quoted in each transaction relating to the dematerialised shares of the Company. The ISIN of the Company for its shares is mentioned above. The Company also periodically undertakes audit of share capital by Practicing Company Secretary and submits the same with BSE & NSE.

The status of shares held in physical and dematerialized forms, as on March 31, 2016, are given below:

Shares held	Shareholders		Shares Held	
	No.	%	No.	%
Physical Form	2	0.02	15	0.00
Electronic Form with NSDL	5605	58.13	12314074	59.84
Electronic Form with CDSL	4036	41.13	8263915	40.16
Total	**9643**	**100.00**	**20578004**	**100.00**

- **Unclaimed Shares :** The Company does not have any unclaimed shares from any public issue.
- **Outstanding GDR/ ADR/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:**

  As on March 31, 2016, the Company has no GDR/ ADR/ Warrants or any such Convertible Instruments outstanding and there is no likely impact on the Company's Equity Shares in the Financial Year 2015-16.
- **Commodity Price Risks and Commodity Hedging Activities:** Not applicable
- **Foreign exchange risk and hedging Activities:**

  The Company is a not forex earner and cover is taken based on budgeted rates and management judgement.
- **Plant locations:**

Omkar Speciality Chemicals Limited:

- **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 and D-27/5, M.I.D.C., Lote Parshuram Industrial Area, Chiplun, Dist. Ratnagiri, Maharashtra
- **Manufacturing Unit – VI** :B-15 and B-16, Lote Parshuram Industrial Area, Village Awashi, Taluka Khed, Dist. Ratnagiri, Maharashtra

Subsidiaries:

- Lasa Laboratory Private Limited: Plot No. 105 and C-105/1, MIDC, Mahad, Dist. Raigad, Maharashtra
- Urdhwa Chemicals Company Private Limited: C-4, C-4/1 & C-43, M.I.D.C., Lote Parshuram Industrial Area , Chiplun, Dist. Ratnagiri, Maharashtra
- Rishichem Research Limited: W-83(C), M.I.D.C., Badlapur (East), Thane-421503, Maharashtra

- **Address for Correspondence:**

  Investors and shareholders can correspond with the Company at the following address:

  Omkar Speciality Chemicals Limited
  B-34, M.I.D.C., Badlapur (East),
  Thane - 421503
  Tel No. +91 (0251) 2697340/2690651,
  Fax: +91(0251) 2697347/2691572
  E-mail address: investor@omkarchemicals.com
  Website: www.omkarchemicals.com

OTHER DISCLOSURES:

- **MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

Related party transactions in the ordinary course of business are reported to the Audit Committee. None of them were (i) not in the normal course of business, or (ii) not on arms length basis, or (iii) in conflict with the interests of the Company at large, including the related party transactions that are disclosed under Note No. 26 of the Standalone Financial Statements. There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the Company at large. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly. The Board has received disclosures from the Senior Management relating to material, financial and commercial transactions, where they and / or their relatives have personal interest.

The Board has approved a policy on dealing with related party transactions, and the same has been uploaded on the Company's website on following web link: (http://www.omkarchemicals.com/Policies/RPT%20%20&%20Material%20Non-listed%20 Subsidiaries.pdf).

- **STATUTORY COMPLIANCE, PENALTIES AND STRICTURES:**

There have been no instances of any penalties or strictures imposed on the Company on any matter relating to the capital market, either by Stock Exchanges, Securities and Exchange Board of India or any statutory authority during the last three (3) years.

- **ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS:**

The Company has complied with the Accounting Standards specified under section 133 of the Companies Act, 2013 and the relevant provisions as applicable in the preparation of the financial statements of the Company.

- **WHISTLE BLOWER POLICY:**

The Board has adopted Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for stakeholders including Directors, shareholders, employees, to voice concern in a responsible and effective manner about all protected disclosures concerning unethical matters involving serious malpractice, abuse or wrongdoing within the organisation. It also provides for adequate safeguards against victimization of one who avail of the mechanism. The Company affirms that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy is available on the website of the Company on following web link: (http://www.omkarchemicals.com/ Policies/Whistle%20Blower%20Policy.pdf).

- **CEO/ CFO CERTIFICATION:**

The Managing Director and Chief Financial Officer have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulation, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

- **RISK MANAGEMENT PROCEDURE:**

The Company has adequate risk assessment and minimisation system in place. The risk management procedure is reviewed periodically.

- **MANDATORY REQUIREMENTS:**

The Company has complied with all the mandatory requirements of SEBI Listing Regulations, 2015, relating to Corporate Governance.

- **DISCRETIONARY REQUIREMENTS:**

Status of implementation of Discretionary Requirements of Reg. 27(1) of SEBI Listing Regulations, 2015 read with Schedule II - Part E is as follows:

Sr. No.	Requirement	Status of Implementation
1	A Non- Executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not applicable as the company has an Executive Chairman.
2	A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	As the quarterly and half yearly financial performance are published in the newspapers and are also uploaded on the Company's website, the same are not being sent to the shareholders.
3	Company may move towards a regime of financial statements with unmodified audit opinion.	The company has constantly endeavored towards this and until now the company's Audit Reports are all 'Clean Reports.'
4	Company may appoint separate persons to the post of Chairman and Managing Director or Chief Executive Officer.	The company does not have separate post of Chairman and Managing Director or Chief Executive Officer.
5	The Internal Auditor may report directly to the Audit Committee.	The Internal Auditor directly reports to the Audit Committee.

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) READ WITH PARA (D) OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

I, Pravin Herlekar, Chairman & Managing Director of Omkar Speciality Chemicals Limited, declare that all the Members of the Board of Directors and Senior management personnel have affirmed the Compliance with the Code of Conduct for the period from April 1, 2015 to March 31, 2016.

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

Sd/-
Pravin Herlekar
Chairman & Managing Director
(DIN: 00525610)

Date: May 23, 2016
Place: Badlapur

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members

Omkar Speciality Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by OMKAR SPECIALITY CHEMICALS LIMITED ('Company') for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period from April 1, 2015 to November 30, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period from December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

We further 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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No.: 044397

Date: May 23, 2016
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of
Omkar Speciality Chemicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Omkar Speciality Chemicals Limited** ("the Company"), which comprise of the Balance Sheet as at March 31, 2016, 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 March 31, 2016, and its profit 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 under-statement of stock and profit by ₹ 65.68 lacs.

   Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. 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 March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 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 Registration No.113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No.: 044397

Date: May 23, 2016
Place: Mumbai

ANNEXURE – A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2016, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A substantial portion of the fixed assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and Nature of Business. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.

(ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. 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 within the books of accounts.

(iii) 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) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;

(b) In our opinion and according to the information and explanations given to us, receipt of the principal amount and interest are regular.

(c) In our opinion and to the best of our information and according to the explanations given to us, the amount of ₹ 7789 lacs was due from the companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act 2013, in the normal course of business.

(iv) The Company has not accepted any deposit from the public.

(v) 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.

(vii) (a) According to the records of the Company and as per the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, value added tax, cess and other statutory dues with appropriate authorities except Income Tax liability of ₹387.07 lacs for the Assessment year 2015-16 including interest thereon till March 31, 2016.

(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 March 31, 2016, except following dues raised by the income Tax Department, Sales tax Department which are disputed by the Company:

(₹ In lakhs)

Assessment year	Total Demand	Payment Made	Particulars
Income Tax			
2009-10	41.32	25.00	Appeal Pending with Income Tax Appellate Tribunal.
2010-11	119.69	125.00	
2011-12	97.45	60.00	
2012-13	28.36	15.00	Appeal filed.
VAT			
2009-10	13.88	0.00	Appeal filed
2009-10	7.70	1.50	Stay granted

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or banks or debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) As per the information and explanation given to us, the Company has paid / provided for managerial remuneration as per the provisions of Section 197 of the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of lndia Act, 1934.

For J.P.J. Associates
Chartered Accountants
Firm Registration No.113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No.: 044397

Date: May 23, 2016
Place: Mumbai

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Omkar Speciality Chemicals Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its 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 the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

As per the explanation and information provided to us by the management and on the basis of verification we are of the opinion that the internal control over financial reporting based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, is in place.

For J.P.J. Associates
Chartered Accountants
Firm Registration No.113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No.: 044397

Date: May 23, 2016
Place: Mumbai

STANDALONE

BALANCE SHEET AS AT MARCH 31, 2016

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	**2,057.80**	2,057.80
Reserves and surplus	2	**16,086.56**	14,236.68
		18,144.36	16,294.48
Non-Current Liabilities			
Long-Term borrowings	3	**7,922.74**	4,180.29
Deferred Tax liabilities(Net)	4	**804.16**	223.60
Long - Term provisions	5	**242.21**	136.43
		8,969.11	4,540.32
Current Liabilities			
Short-Term borrowings	3	**9,548.96**	12,069.30
Trade Payables	6	**5,051.95**	3,543.52
Other Current Liabilities	7	**1,589.37**	1,489.33
Short-Term Provisions	8	**1,369.63**	922.42
		17,559.91	18,024.57
TOTAL		**44,673.38**	38,859.37
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	**7,774.63**	6,813.21
Intangible Assets	9	**15.18**	16.85
Capital Work-in-Progress	9	**11,267.49**	10,735.00
Non-Current Investments	10	**1,391.46**	1,379.89
Long-term Loans and Advances	11	**2,653.31**	5,386.04
		23,102.07	24,330.99
Current Assets			
Inventories	12	**6,177.66**	5,465.60
Trade Receivables	13	**10,226.32**	6,810.13
Cash and Cash Equivalents	14	**663.40**	1,222.84
Short-term Loans and Advances	15	**4,414.12**	704.33
Other Current Assets	16	**89.81**	325.48
		21,571.31	14,528.38
TOTAL		**44,673.38**	38,859.37
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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397

Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

STANDALONE

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lakhs)

Particulars	Note no.	For Year ended March 31, 2016	For Year ended March 31, 2015
INCOME			
Revenue from Operation	17	**30,002.06**	19,331.31
Other Income	18	**889.17**	491.02
Total Revenue		**30,891.23**	19,822.33
EXPENDITURE			
Cost of Material Consumed	19	**16,709.23**	10,364.19
Purchase of stock in trade		**7,342.41**	2,389.33
Changes in inventories of Finished Goods, Work in progress and Stock in Trade	20	**(1,293.14)**	674.25
Employee Benefits Expense	21	**1,102.20**	1,018.33
Finance Costs	22	**1,651.87**	1,142.80
Depreciation and Amortization expense	9	**428.34**	197.36
Other Expenses	23	**1,613.88**	1,991.13
Total Expenditure		**27,554.79**	17,777.39
Profit before Exceptional Items & Extraordinary Items and Tax		**3,336.44**	2,044.94
Profit Before Tax		**3,336.44**	2,044.94
Tax Expenses			
Previous year adjustments		**50.02**	(60.56)
Current Tax		**699.33**	427.35
Deferred Tax		**580.55**	105.34
Mat Credit Entitlement		**(214.85)**	(220.65)
Profit for the period		**2,221.39**	1,793.46
Earnings per Equity Share (in ₹)			
Basic		**10.79**	8.89
Diluted		**10.79**	8.89
Face Value of Equity Shares (in ₹)		**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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397

Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

STANDALONE

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
A. **CASH FLOW FROM OPERATING ACTIVITIES :**		
Net Profit Before Tax	**3,336.44**	2,044.94
Adjustments for :		
Depreciation	**428.34**	197.36
Finance expenses	**1,651.87**	1,142.80
Provision for Gratuity	**32.85**	18.83
Provision for CSR Expenses	**50.25**	50.00
Interest, dividend income	**(829.70)**	(442.50)
Increase/Diminution in value of investment	**0.03**	-
Unrealized Foreign Exchange gain/ loss	**13.69**	19.54
Operating Profit before working capital changes	**4,683.78**	3,030.97
Adjustments for :		
Trade and Other Receivables	**(3,416.18)**	1,704.79
Short- term Loans and Advances	**(3,709.79)**	(14.69)
Other Current Assets	**235.67**	417.74
Inventories	**(712.06)**	831.71
Trade and Other Payables	**1,751.44**	(572.50)
	(5,850.92)	2,367.05
Taxes Paid	**(241.15)**	(112.66)
Cash Generated from Operations	**(1,408.29)**	5,285.36
B. **CASH FLOW FROM INVESTING ACTIVITIES :**		
Purchase of Fixed Assets(refer note 9)	**(1,920.57)**	(6,638.71)
Purchase of Investments	**11.57**	(0.01)
Long -term Loans and Advances	**2,732.73**	(1,390.47)
Interest received	**829.70**	442.50
Net Cash used in Investing Activities	**1,653.43**	(7,586.69)
C. **CASH FLOW FROM FINANCING ACTIVITIES :**		
Proceeds from Short term Borrowings	**(2,520.34)**	968.76
Proceeds from Long term Borrowings	**3,742.45**	1,182.25
Issue of Equity share (Convertible warrants)	**-**	1,068.75
Interest paid	**(1,651.87)**	(1,142.80)
Dividend paid (including Dividend Distribution Tax)	**(361.13)**	(344.46)
Net Cash from Financing Activities	**(790.89)**	1,732.50
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	**(545.75)**	(568.83)
Cash and Cash equivalents at the beginning of the year	**1,222.84**	1,811.21
Exchange difference on translation of foreign currency cash and cash equivalents	**(13.69)**	(19.54)
Cash and Cash equivalents at the end of the year	**663.40**	1,222.84

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 530.41 lakhs held as Margin money pledged with the bank. (Previous year Rs 588.84 lakhs)

As per our report of even date

For **J.P.J. Associates**
Chartered Accountants
Firm Registration No. 113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397

Place : Badlapur
Date : May 23, 2016

STANDALONE

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

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, 2013 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 of transactions settled during the Year 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/CUSTOMS 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 all fixed assets is provided as per the provisions of Companies Act, 2013 on Written Down Value Method. Depreciation is calculated on pro-rata basis from month of installation till the month of the assets are sold/ disposed off.

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 expenses 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 MARCH 31, 2016

The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

NOTE No. 1 - SHARE CAPITAL

(₹ in Lakhs, except for share data)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital:		
35,000,000 Equity Shares of ₹10/- each.	**3,500.00**	3,500.00
Issued, Subscribed and Paid up Capital:		
20,578,004 Equity Shares of Rs 10/- each, Fully paid Up	**2,057.80**	2,057.80
Total	**2,057.80**	2,057.80

Reconciliation of Share Capital:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of Share	Amount	No. of Share	Amount
Authorised Capital:				
Authorised Share Capital at the beginning of the Year	**35,000,000**	**3,500.00**	25,000,000	2,500.00
Increase during the year	**-**	**-**	10,000,000	1,000.00
Authorised Share Capital at the end of the Year	**35,000,000**	**3,500.00**	35,000,000	3,500.00
Issued, Subscribed and Paid up Capital:				
At the beginning of the Year	**20,578,004**	**2,057.80**	19,628,004	1,962.80
Addition during the year	**-**	**-**	950,000	95.00
At the end of the Year	**20,578,004**	**2,057.80**	20,578,004	2,057.80

Details of Shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Share	Amount	No. of Share	Amount
Pravin S. Herlekar	**10,258,874***	**1,025.89**	9,715,971	971.60
Anjali P. Herlekar	**1,208,240**	**120.82**	1,208,240	120.82
SBI Magnum Midcap Fund	**-**	**-**	1,463,755	146.38
Total	**11,467,114**	**1,146.71**	12,387,966	1,238.80

Notes:

1) During FY 2009-10, 1,126,600 Equity Shares of Rs 100/- each have been alloted as Bonus Shares by capitalisation of Profits & Security Premium A/c.

2) Nominal value of Rs 100/- per Equity Share was sub divided into ₹ 10/- per Equity Share, during the FY 2010-11.

3) Further, during the FY 2010-11, 8,100,004 Equity Shares of ₹ 10/-each were issued at premium of ₹ 88/- each by Public Offer.

*4) Mr. Pravin S. Herlekar holds 10,548,874 Equity Shares as on March 31, 2016, out of which 290,000 shares are encumbered. (As on March 31, 2015, 110,603 shares are not reflected in his name & 722,300 shares are encumbered.)

5) The Company has issued one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE NO. 2 – RESERVES & SURPLUS

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Premium Account		
Opening Balance	**7,370.69**	6,040.69
Add: Additions During the year	**-**	1,330.00
Closing Balance	**7,370.69**	7,370.69
General Reserve		
Opening Balance	**830.40**	680.40
Add: Transfer from Profit and Loss Account	**-**	150.00
Closing Balance	**830.40**	830.40
Profit & Loss Account		
Balance as per last Balance Sheet	**6,035.61**	4,753.28
Add : Profit for the Year	**2,221.39**	1,793.46
	8,257.00	6,546.74
Less : Appropriations		
Proposed Dividend on Equity Shares (₹ 1.50 per share) (Previous Year Rs 1.50 per share)	**308.67**	308.67
Tax on Dividend	**62.84**	52.46
Transferred to General Reserve	**-**	150.00
Closing Balance	**7,885.47**	6,035.61
TOTAL	**16,086.56**	14,236.68

NOTE NO. 3 – BORROWINGS

Particulars	As at March 31, 2016				As at March 31, 2015			
	Long Term	Current maturities of Long-Term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total
Secured Borrowings								
(a)Term Loans								
1)From Banks	**7,464.44**	**937.99**	**-**	**8,402.43**	3,163.96	851.50	-	4,015.47
2)From Financial Institutions & Others	**-**	**-**	**-**	**-**	-	-	-	-
(b)Repayable on Demand								
1)From Banks	**-**	**-**	**7,129.66**	**7,129.66**	-	-	10,856.16	10,856.16
2)From Financial Institutions & Others	**-**	**-**	**-**	**-**	-	-	-	-
Sub-Total (A)	**7,464.44**	**937.99**	**7,129.66**	**15,532.09**	3,163.96	851.50	10,856.16	14,871.63
Unsecured Borrowings								
(a) Loan from Financial Institutions	**458.30**	**166.70**	**-**	**625.00**	-	-	-	-
(b)Loans from Banks	**-**	**-**	**2,392.80**	**2,392.80**	390.51	325.00	1,055.79	1,771.30
(c)From Financial Institutions & Others	**-**	**-**	**17.39**	**17.39**	625.82	125.00	157.35	908.17
(d) Loan from Directors	**-**	**-**	**9.11**	**9.11**	-	-	-	-
Sub-Total (B)	**458.30**	**166.70**	**2,419.30**	**3,044.30**	1,016.33	450.00	1,213.14	2,679.47
TOTAL (A+B)	**7,922.74**	**1,104.69**	**9,548.96**	**18,576.40**	4,180.29	1,301.50	12,069.30	17,551.10

Notes:

1) Term 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,W -92A, W-94, W-95, F-9, F -10/1, B-34, M.I.D.C, 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.

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, W -92A,W-94,W-95, B-34, F-9, F -10/1, M.I.D.C, 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.

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	250.00	687.99	**937.99**
1-2 Years	1,000.00	638.69	**1,638.69**
2-3 Years	1,000.00	638.69	**1,638.69**
After 3 Years	2,750.00	1,437.05	**4,187.05**
Total	5,000.00	3,402.42	**8,402.42**

NOTE NO. 4 – DEFFERED TAX

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
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.	**2,521.21**	839.80
Deferred Tax Assets:		
On account of gratuity	**153.37**	150.63
Other provisions	**44.23**	-
Net Difference	**2,323.61**	689.17
Tax Rate in %	**34.61**	32.45
Net Deferred Tax (Assets)/ Liabilities	**804.16**	223.60

NOTE NO. 5 – LONG TERM PROVISIONS

Provision for Gratuity	**153.37**	120.52
Leave Encashment Payable	**25.41**	15.91
Payables to Subsidiary (Desh Chemicals Private Limited)	**63.43**	-
TOTAL	**242.21**	136.43

NOTE NO. 6 – TRADE PAYABLES

Creditors for Goods	**4,765.65**	3,383.14
Creditors for Expenses	**286.30**	160.38
TOTAL	**5,051.95**	3,543.52

NOTE NO. 7 – OTHER CURRENT LIABILITIES

Current maturities of Long-Term Debt (Refer Note 3)	**1,104.69**	1,301.50
Interest accrued but not due on borrowings	**40.40**	44.27
Advances received from customers	**67.36**	-
Unclaimed dividend	**1.15**	0.76
Creditors for capital goods	**206.71**	-
Payables to Subsidiary (Desh Chemicals Private Limited)	**-**	63.43
Statutory liabilities	**81.30**	25.45
Other Payables	**87.76**	53.92
TOTAL	**1,589.37**	1,489.33

Notes:

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.

NOTE NO. 8 – SHORT TERM PROVISIONS

Others Provisions		
Proposed Dividend	**308.67**	308.67
Provision for CSR	**100.00**	50.00
Tax on proposed Dividend	**62.84**	52.46
Provision for Taxation (Net)	**898.12**	511.29
TOTAL	**1,369.63**	922.42

NOTE NO. 9- FIXED ASSETS

(₹ in Lakhs)

Particulars	Useful life of assets (Years)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on April 1, 2015	Additions	Deduction	**As on March 31, 2016**	As on April 1, 2015	Current Deprecia-tion	Deduction	**As on March 31, 2016**	**As on March 31, 2016**	As on April 1, 2015
Tangible Assets											
Leasehold Land	0	1,232.84	-	-	**1,232.84**	40.78	4.76	-	**45.54**	**1,187.30**	1,192.06
Factory Building	30	1,841.79	23.43	-	**1,865.22**	423.62	49.12	-	**472.74**	**1,392.48**	1,418.17
Residential Premises	20	53.17	-	-	**53.17**	7.00	2.56	-	**9.56**	**43.61**	46.17
Plant & Machinery (R&D)	10	580.54	13.02	-	**593.56**	222.08	52.10	-	**274.18**	**319.38**	358.46
R & D Plant and Machinery (Non 35(2AB) Units)	10	902.19	-		**902.19**	14.26	45.99		**60.25**	**841.94**	887.93
R & D Plant and Machinery (Others)	10	423.48	-	-	**423.48**	7.62	21.93		**29.55**	**393.93**	415.86
Plant & Machinery	20	4,823.74	20.86	-	**4,844.60**	1,362.92	186.77	-	**1,549.69**	**3,294.91**	3,460.82
Electrical Installation	10	318.35	3.02	-	**321.37**	118.23	27.54	-	**145.77**	**175.60**	200.12
Furniture & Fixture	10	120.52	0.13	-	**120.65**	52.71	9.13	-	**61.84**	**58.81**	67.81
Office Equipments	5	62.96	1.46	-	**64.42**	31.74	10.28	-	**42.02**	**22.40**	31.22
Computer	3	66.69	-	-	**66.69**	50.24	5.82	-	**56.06**	**10.65**	16.45
Motor Car and Cycle	5	66.23	-	-	**66.23**	22.42	10.20	-	**32.61**	**33.62**	43.81
Assets less than Rs 5,000/-	1	6.63	0.50	-	**7.13**	6.63	0.50	-	**7.13**	**-**	-
Sub total (A)		**10,499.13**	**62.42**	**-**	**10,561.55**	**2,360.25**	**426.68**	**-**	**2,786.93**	**7,774.63**	**8,138.88**
Intangible Assets											
Patent Fees	5	7.38	-	-	**7.38**	1.84	0.63	-	**2.47**	**4.91**	5.55
Computer Softwares	1	55.94	-	-	**55.94**	44.64	1.03	-	**45.67**	**10.27**	11.30
Sub total (B)		**63.32**	**-**	**-**	**63.32**	**46.48**	**1.66**	**-**	**48.14**	**15.18**	**16.85**
Capital Work in Progress											
Intangible	10	-	-	-	**-**	-	-	-	**-**	**-**	-
Tangible		9,409.34	1,858.15	-	**11,267.49**	-	-	-	**-**	**11,267.49**	9,409.33
Sub total (C)		9,409.34	1,858.15	-	11,267.49	-	-	-	-	11,267.49	9,409.33
TOTAL (A+B+C)		**19,971.79**	**1,920.57**	**-**	**21,892.36**	**2,406.73**	**428.34**	**-**	**2,835.07**	**19,057.30**	**17,565.05**
Previous Year		13,333.07	9,340.36	2,701.65	19,971.78	2,209.36	197.36	-	2,046.72	17,565.06	11,123.71

Note on Capex:

Capital Work in progress as on March 31,2015 included ₹1325.67 Lakhs being amount spent on account of CAPEX (R&D)/ Product Development including process development/ Pilot Plant facilities. As the said amount was claimed as eligible Deduction u/S 35 of the Income Tax Act, 1961 for the A.Y.2015-16, therefore, the opening balance of CWIP as on April 1, 2015 has been reclassified into opening carried forward CWIP and amount already capitalised and claimed as deductions u/S 35 of the IT Act for the AY 2015-16. Arithmetically, this will not have any impact, other than re-classification of the closing and the opening CWIP.

NOTE NO. 10 – NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	No of Shares		Amount	
	As at March 31, 2016	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
Investments in Subsidiaries (Fully Paid Up, Trade, Unquoted)				
Rishichem Research Limited (Face Value ₹ 10/- per Share)	**54,000**	54,000	**130.10**	130.10
Desh Chemicals Private Limited (Face Value ₹ 100/- per Share)	**4,950**	4,950	**71.11**	71.11
Less : Provision for Diminution in Value of Investment			**-**	(6.60)
Urdhwa Chemicals Company Private Limited(Face Value ₹ 100/- per Share)	**354,440**	354,440	**354.44**	354.44
Lasa Laboratory Private Limited (Face Value ₹ 10/- per Equity Share)	**3,210,000**	3,210,000	**550.12**	550.12
Lasa Laboratory Private Limited (Face Value ₹ 10/- per Preference Share)	**2,740,000**	2,740,000	**274.00**	274.00
Lasa Supergenerics Limited (Face Value ₹ 10/- per Share)	**50,000**	-	**5.00**	-
Janta Sahakari Bank Limited (Scheduled Bank)	**10**	10	**0.01**	0.01
Sub-Total (A)			**1,384.78**	1,373.18
Investment in Mutual Fund (Fully Paid Up,Non-Trade, Quoted)	**No of Units**		**Amount**	
Baroda Pioneer Mutual fund (Face Value ₹ 10/- per Unit)	**100,000**	100,000	**10.00**	10.00
Less : Diminution in Value of Investment			**3.32**	3.29
Sub-Total (B)			**6.68**	6.71
TOTAL (A+B)			**1,391.46**	1,379.89

(₹ in Lakhs)

Particulars	**As at March 31, 2016**	As at March 31, 2015
NOTE NO. 11 - LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Deposits	**41.93**	68.81
Loans and Advances to Subsidiaries		
Urdhwa Chemicals Company Private Limited	**1,337.15**	4,320.94
Lasa Laboratory Private Limited	**1,239.19**	996.29
Lasa Supergenerics Limited	**35.04**	-
TOTAL	**2,653.31**	5,386.04

NOTE NO. 12 – INVENTORIES

Stores and spare parts	**1.12**	3.77
Raw materials	**858.40**	1,436.83
Work-in-progress	**4,893.83**	3,424.02
Finished products	**424.31**	600.98
TOTAL	**6,177.66**	5,465.60

Note: 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.

NOTE NO. 13 – TRADE RECEIVABLES

Unsecured and Considered Good		
More than six months	**262.55**	1,129.84
Others	**9,963.77**	5,680.29
Sub-Total (A)	**10,226.32**	6,810.13
Unsecured and Considered Doubtful		

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
More than six months	-	100.00
Others	-	-
Less: Provision for doubtful Trade Receivables	-	100.00
Sub-Total (B)	-	-
TOTAL (A+B)	**10,226.32**	6,810.14
NOTE NO. 14 – CASH AND BANK BALANCES		
Cash and Cash Equivalents		
-Balance with Banks	**132.08**	553.99
-Cash on hand	**0.91**	1.74
In Earmarked Accounts	-	78.27
Held as Margin Money *	**530.41**	588.84
Fixed Deposits with Banks #	-	-
TOTAL	**663.40**	1,222.84

Notes: * Earmarked Balance with Banks is for Unclaimed Dividend for the Previous Year.
Fixed Deposits with Banks are with Maturity of not more than 12 months.

NOTE NO. 15 – SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Staff Loans & Advance	**1.13**	0.30
Advances to Suppliers	**389.61**	40.00
Deposits	**0.15**	-
Other Taxes & Duties	**1,523.23**	664.03
	1,914.12	704.33
Loans and Advances to Subsidiary		
-Urdhwa Chemicals Company Private Limited	**2,500.00**	-
TOTAL	**4,414.12**	704.33

NOTE NO. 16 – OTHER CURRENT ASSETS		
Prepaid Expenses	**11.38**	0.72
Interest accrued but not due on advances	**0.93**	324.76
Other Current Assets	**56.40**	-
Custom Duty Refundable	**21.10**	-
TOTAL	**89.81**	325.48

NOTE NO. 17 – REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
Sale of Products		
Domestic Sales	**26,517.27**	15,110.34
Exports Sales	**5,166.08**	5,362.95
Sales (Gross)	**31,683.35**	20,473.30
Less : Excise Duties	**1,904.21**	1,324.41
Sales (Net)	**29,779.14**	19,148.89
Job work Charges	**222.92**	182.42
Net Sales & Services	**30,002.06**	19,331.31

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.

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
NOTE NO. 18 – OTHER INCOME		
Interest Income	**829.70**	442.50
Duty Drawback	**28.14**	25.67
Sale of Sample	**-**	1.51
Miscellaneous Receipts	**17.64**	1.80
Forex Gains	**13.69**	19.54
Total	**889.17**	491.02
NOTE NO. 19 – COST OF MATERIAL CONSUMED		
Opening Stock of Raw Materials	**1,436.83**	1,593.89
Add : Purchases	**16,130.80**	10,207.13
Less : Closing Stock of Raw Materials	**858.40**	1,436.83
TOTAL	**16,709.23**	10,364.19
NOTE NO. 20 – CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Opening Inventories :		
Finished products	**600.98**	996.19
Work-in-progress	**3,424.02**	3,703.06
Sub Total (A)	**4,025.00**	4,699.25
Closing Inventories :		
Finished products	**424.31**	600.98
Work-in-progress	**4,893.83**	3,424.02
Sub Total (B)	**5,318.14**	4,025.00
TOTAL (A-B)	**(1,293.14)**	674.25
NOTE NO. 21 – EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages & Other Benefits (**Note I**)	**1,048.46**	944.14
Contribution to Provident and Other Funds	**27.84**	36.92
Workmen and Staff Welfare Expenses	**25.90**	37.28
TOTAL	**1,102.20**	1,018.33
Note I: Salaries, Wages & Other Benefits:		
Salaries and Wages	**507.82**	582.06
Directors Remuneration	**279.14**	185.00
Bonus, Gratuity and other incentives	**58.50**	42.55
Employers Contribution to ESIC & Other Funds	**3.17**	3.44
Contract Labour Charges	**199.83**	235.58
GROSS TOTAL	**1,048.46**	1,048.66
Less: Project Development Expenditure Capitalised	**-**	104.50
NET TOTAL	**1,048.46**	944.14

Note No. 21.1 - The following tables sets out the disclosures relating to gratuity benefits as required by Accounting Standard -15 - Employee Benefits:

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)	**-**	-

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
Note No. 21.2 - Actuarial Gain/ (Loss) Recognised		
Actuarial Gain/ (Loss) for the period (Obligation)	**0.40**	35.12
Actuarial Gain/ (Loss) for the period (Plan Assets)	**-**	-
Total Gain/ (Loss) for the period	**0.40**	35.12
Actuarial Gain/ (Loss) recognized for the period	**0.40**	35.12
Unrecognised Actuarial Gain/ (Loss) at the end of the period	**-**	-
Note No. 21.3 - Changes in the present value of obligation:		
Present value of obligation at beginning of period	**120.52**	117.60
Add : Interest Cost	**9.23**	9.28
Add: Current Service Cost	**26.81**	31.89
Add: Past Service Cost	**-**	-
Less: Benefits paid	**(3.44)**	(3.14)
Add: Actuarial (Gain)/ Loss on obligation	**(0.40)**	(35.12)
Present value of obligation at end of period	**152.72**	120.52
Note No. 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	**3.44**	3.14
Less: Benefits Paid	**(3.44)**	(3.14)
Add: Actuarial Gain/ (Loss) on plan assets	**-**	-
Fair Value of Plan Assets at end of period	**-**	-
Note No. 21.5 - Amounts recognized in the Balance Sheet:		
Present value of obligation at the end of the period	**152.72**	120.52
Less: Fair Value of Plan Assets at end of period	**-**	-
Funded Status	**(152.72)**	(120.52)
Unrecognized Past Service Cost		
Net Asset/ (Liability) recognized in the Balance Sheet	**(152.72)**	(120.52)
Note No. 21.6 - Expenses recognized in the profit and Loss account		
Current Service Cost	**26.81**	31.89
Add: Interest Cost	**9.23**	9.28
Add:Past Service Cost	**-**	-
Add: Net Actuarial (Gain)/ Loss recognised	**(0.40)**	(35.12)
Expenses recognized in the Profit and loss Account	**35.64**	6.05
Note No. 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 42 : 4.5%**	3 to 42 : 0%

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
NOTE NO. 22 – FINANCE COST		
Interest Expenses*	**2,415.50**	1,642.95
Other Borrowing Costs	**88.14**	52.97
Applicable Net Gain/ Loss on Foreign Currency Transactions	**-**	(10.84)
Gross Total	**2,503.64**	1,685.07
Less: Interest Capitalised	**851.77**	542.27
Net Total	**1,651.87**	1,142.80
* Interest Expenses includes :		
On loans for fixed periods from banks	**459.28**	300.99
On cash credit and other facilities from banks	**1,956.22**	1,341.96
Total	**2,415.50**	1,642.95
NOTE NO. 23 – OTHER EXPENSES		
Other Manufacturing Expenses		
Factory Electricity charge	**127.94**	122.97
Water Charges	**17.01**	16.75
Packing & Testing Charges	**0.42**	4.31
Laboratory Expenses	**254.92**	167.23
Consumable Stores	**79.87**	146.10
Processing Charges	**281.06**	514.68
Repairs & Maintenance- Building	**6.23**	8.15
Repairs & Maintenance - Machinery	**35.41**	92.06
Freight Inward	**36.61**	105.56
Sundry Factory Expenses	**12.16**	3.72
Sub Total (A)	**851.63**	1,181.53
Administrative, Selling and Distribution Expenses		
Sales Promotion Expenses	**29.49**	33.40
Commission on Sales	**49.31**	61.15
Conveyance & Travelling Expenses	**9.06**	49.90
Freight & Transportation - Sales	**112.57**	152.68
Misc. Expenses	**53.19**	79.07
Postage, Telephone/ Telegram/ Internet Charges	**36.02**	49.10
Repairs & Maintenance- Others	**21.79**	15.83
Insurance	**42.54**	19.80
Printing & Stationery	**9.27**	14.37
Professional Charges	**100.66**	151.89
Rates & Taxes	**11.81**	41.89
Bad Debts W/off	**52.93**	-
Forex Loss	**175.67**	81.63
Payments to Auditors	**7.70**	8.89
CSR Expenses	**50.25**	50.00
Sub Total (B)	**762.25**	809.60
TOTAL (A+B)	**1,613.88**	1,991.13

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
Note No. 23.1 - Payment to Auditors		
a) As Auditor	**6.00**	6.00
b) For Taxation Matter	**1.20**	1.20
c) For Other Services	**0.49**	1.69
TOTAL	**7.70**	8.89
Note No. 23.2 - Value of Imported Raw Material & stores consumed & percentage of consumption		
Raw Material		
Imported	**844.37**	7,619.94
Percentage	**5.05%**	73.52%
Indigenous	**15,864.86**	2,744.25
Percentage	**94.95%**	26.48%
TOTAL	**16,709.23**	10,364.19
Percentage	**100%**	100%
Consumables		
Imported	**Nil**	Nil
Percentage	**Nil**	Nil
Indigenous	**79.87**	146.10
Percentage	**100%**	100%
TOTAL	**79.87**	146.10
Percentage	**100%**	100%
Note No. 23.3 - Earnings and Expenditure in foreign Currency		
Earnings in Foreign Currency:		
Value Of Export (FOB)	**5,166.08**	5,362.95
Expenditure In Foreign Currency:		
Purchase Of Materials	**870.75**	8,497.07
Capital Expenditure	**-**	2.44
Other Expenses	**18.98**	33.04
Interest	**200.86**	208.02
Dividend Remitted In Foreign Currency	**-**	-
Value Of Import On CIF Basis		
Raw Material	**870.75**	8,497.07
Capital Goods	**-**	2.44
Note No. 23.4 - The Company has incurred the following expenses on Research and Development Activity:		
On Tangible Fixed Assets	**13.02**	8.76
On items which have been expensed during the year*	**286.65**	345.97
TOTAL	**299.67**	354.73

* Includes amount of ₹Nil Paid to external agency in current year (Previous Year ₹ 3.41 lakhs)

NOTE NO. 24 – BASIC AND DILUTED EARNINGS PER SHARE		
Profit attributable to Equity Shareholder:	**2,221.39**	1,793.46
Weighted average number of Equity Shares:		
-Basic	**20,578,004**	20,184,990
-Diluted	**20,578,004**	20,184,990
Earning Per Share (in Rs)		
-Basic	**10.79**	8.89
-Diluted	**10.79**	8.89

STANDALONE

NOTE NO. 25.1 - Particulars of Sales and Stock of Finished goods(Manufacturing Goods) :

(₹ in Lakhs)

Particulars	Opening Stock	Sales	Closing Stock
Iodine Compounds	**320.05**	**13,759.28**	**178.84**
	743.34	*8,877.56*	*320.05*
Selenium Compounds	**55.63**	**2,246.49**	**40.17**
	65.34	*1,675.81*	*55.63*
Intermediates	**178.07**	**3,041.17**	**131.26**
	138.95	*1,376.17*	*178.07*
Others (Molybdenum,Cobalt, Bismuth)	**17.64**	**10,384.55**	**32.03**
	13.81	*6,357.01*	*17.64*
Resolving Agents	**29.59**	**570.56**	**42.00**
	34.75	*1,044.76*	*29.59*
TOTAL	**600.98**	**30,002.05**	**424.30**
	996.19	*19,331.31*	*600.98*

The Figures In Italics Pertains To Previous Year

NOTE NO. 25.2 - Particulars of Work in Progress:

Particulars	Opening Stock	Closing Stock
Iodine Compounds	**531.00**	**3,190.28**
	1,225.39	*531.00*
Selenium Compounds	**2,041.69**	**1,442.22**
	1,999.67	*2,041.69*
Intermediates	**765.41**	**199.49**
	419.02	*765.41*
Others (Molybdenum,Cobalt, Bismuth)	**8.77**	**9.29**
	7.78	*8.77*
Resolving Agents	**77.15**	**52.56**
	51.20	*77.15*
TOTAL	**3,424.02**	**4,893.83**
	3,703.06	*3,424.02*

The Figures In Italics Pertains To Previous Year

Note No. 25.3 - Particulars of purchases, consumption and stock of materials:

Particulars	Opening Stock	Purchases	Consumption	Closing Stock
Crude iodine	**53.32**	**2,537.01**	**2,251.89**	**338.44**
	304.40	*7,303.95*	*7,555.03*	*53.32*
Selenium Metal Powder	**10.73**	**532.67**	**526.18**	**17.22**
	66.10	*729.81*	*785.18*	*10.73*
Others	**1,372.78**	**20,387.05**	**21,273.57**	**486.26**
	1,223.39	*4,562.70*	*4,413.31*	*1,372.78*
TOTAL	**1,436.83**	**23,456.73**	**24,051.64**	**841.92**
	1,593.89	*12,596.46*	*12,753.52*	*1,436.83*

The Figures In Italics Pertains To Previous Year

* above consumptions also includes cost of goods traded

NOTE NO. - 26 RELATED PARTY TRANSATIONS

Name of the Person	Relationship
Mr. Pravin.S. Herlekar Mr. Omkar P. Herlekar Mr. Rishikesh P. Herlekar Ms. Anjali P. Herlekar Mr. Prakash Rao Mr. Siddharth Sinkar	Director – Key Managerial Personnel
Svaks Biotech India Private Limited	Company owned by Key Managerial Personnel
Rishichem Research Limited Desh Chemicals Private Limited Lasa Laboratories Private Limited Lasa Supergenerics Limited Urdhwa Chemicals Company Private Limited	Subsidiary - Common Control Exists

(₹ in Lakhs)

Nature of Transaction	Relationship	As at March 31, 2016	As at March 31, 2015
Directors Remuneration/Salary	Key Managerial Personnel	**96.08**	78.00
Directors Remuneration/Salary	Relative of Key Managerial Personnel	**-**	6.38
Commission to Directors	Key Managerial Personnel	**188.36**	102.00
Management Consultancy Fees	Key Managerial Personnel	**-**	16.85
Dividends	Key Managerial Personnel	**198.21**	187.62
	Subsidiary		
Rishichem Research Limited	Opening Balance Payable	**8.92**	16.67
	Job work charges	**96.79**	106.56
	Reimbursement of expenses	**-**	-
	Closing Balance Payable	**30.78**	8.92

(₹ in Lakhs, except for share data if otherwise stated)

Particulars		As at March 31, 2016	As at March 31, 2015
Urdhwa Chemicals Company Private Limited	Opening Balance Receivable	**496.83**	587.75
	Opening Balance Payable	**246.76**	21.56
	Opening Loan Receivable	**4320.94**	3720.05
	Purchase of Goods	**1.15**	1255.40
	Sale of goods	**253.49**	674.76
	Job work charges		163.37
	Interest received	**571.96**	363.17
	Purchase of fixed assets		Nil
	Loan Given during the year	**1843.44**	1088.89
	Loan Repaid during the year	**1549.72**	488.00
	Closing Balance Receivable	**1949.12**	496.83
	Closing Balance Payable	**0.00**	246.76
	Closing Loan Receivable	**3837.15**	4320.94

(₹ in Lakhs, except for share data if otherwise stated)

Particulars		As at March 31, 2016	As at March 31, 2015
Lasa Laboratory Private Limited	Opening Balance Receivable	**344.99**	287.86
	Opening Balance Payable	**114.56**	24.93
	Opening Loan Receivable	**996.29**	250.68
	Purchase of Goods	**358.57**	444.46
	Sale of goods	**3372.94**	1285.46
	Interest received	**151.26**	63.87
	Reimbursement of expenses	**-**	275.65
	Loan Given during the year	**415.4**	470.00
	Loan Repaid during the year	**-**	-
	Closing Balance Receivable	**759.28**	344.99
	Closing Balance Payable	**0.00**	114.56
	Closing Loan Receivable	**1239.19**	996.29
	Share application money paid	**-**	-
Desh Chemicals Private Limited	Opening Loan Receivable	**63.43**	63.84
	Reimbursement of expenses	**-**	0.19
	Loan Given during the year	**-**	0.60
	Closing Loan Receivable	**Nil**	Nil
	Closing balance Payable	**63.43**	63.43
Lasa Supergenerics Ltd	Opening Loan Receivable	**-**	-
	Loan Given during the year	**34.04**	-
	Closing Loan Receivable	**34.04**	-

NOTE NO. 27 - Money Received Against Warrants (₹ in Lakhs, except for share data)

Particulars	Number of Warrants/Shares	As at March 31, 2016	As at March 31, 2015
Mr. Pravin S. Herlekar	190,000	**-**	285.00
Mr. Omkar P. Herlekar	190,000	**-**	285.00
Mr. Rishikesh P. Herlekar	190,000	**-**	285.00
Svaks Biotech India Private Limited	380,000	**-**	570.00
Total	950,000	**-**	1,425.00

During the financial year 2015, the Company has issued & allotted 950,000 Equity Shares of the Company pursuant to conversion of warrants issued on preferential basis, @ ₹ 150/- per warrant,

NOTE NO. 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 45.00 crores)

Contingent Liability in respect of income tax demands against which company has filed appeals with Income Tax Appellate

Tribunal for Assessment Years 2009-10, 2010-11 and 2011-12. The total demand (net of payments) is Rs 211.48 Lakhs

Contingent Liability in respect of sale tax demands against which company has filled appeal / granted stay order for Financial Years 2009-10. The total demand (net of payments) is Rs 20.08 Lakhs

ii. Commitments :

Particulars	**As at March 31, 2016**	As at March 31, 2015
Letter of Credit	**3,851.62**	-
Estimated Amount of Contracts remaining to be executed on capital account	**4.06**	657.00
Total	**3,855.68**	657.00

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.

NOTE NO. 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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397
Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

Omkar Speciality Chemicals Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **Omkar Speciality Chemicals Limited** ("the Company"), and its subsidiaries which comprise the Consolidated Balance Sheet as at March 31, 2016, 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 ₹ 17299.61 lakhs as at March 31, 2016, total revenue of ₹ 12485.74 lakhs , and cash flows amounting to ₹ 301.78 lakhs for the year then ended March 31, 2016. 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 March 31, 2016,

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 Registration No.113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No.: 044397

Date: May 23, 2016
Place: Mumbai

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	**2,057.80**	2,057.80
Reserves and Surplus	2	**17,489.09**	14,799.30
		19,546.89	16,857.10
Non-Current Liabilities			
Long-term Borrowings	3	**9,446.55**	6,062.20
Deferred Tax Liabilities (Net)	4	**1,127.20**	75.84
Long-Term Provisions	5	**277.62**	165.02
		10,851.37	6,303.06
Current Liabilities			
Short-Term Borrowings	3	**11,312.61**	14,062.46
Trade Payables	6	**9,818.12**	6,136.29
Other Current Liabilities	7	**4,689.24**	3,283.84
Short-Term Provisions	8	**2,071.55**	1,279.09
		27,891.52	24,761.68
TOTAL		**58,289.78**	47,921.84
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	9	**15,445.66**	14,474.67
Intangible Assets	9	**620.17**	440.62
Capital Work-in-Progress	9	**14,872.13**	12,156.77
Intangible Assets under Development	9	**17.14**	-
Non Current Investments	10	**7.29**	7.31
Other Non Current Assets	11	**35.09**	-
Long-Term Loans and Advances	12	**89.01**	103.95
		31,086.49	27,183.32
Current Assets			
Inventories	13	**9,987.33**	8,875.55
Trade Receivables	14	**13037.77**	7,678.19
Cash and Cash Equivalents	15	**1,028.77**	1,553.98
Short-Term Loans and Advances	16	**3,046.49**	2218.61
Other Current Assets	17	**102.93**	412.19
		27,203.29	20,738.52
TOTAL		**58,289.78**	47,921.84
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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397
Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
INCOME			
Revenue from Operation	18	**41,340.81**	26,513.37
Other income	19	**141.15**	89.75
Total Revenue		**41,481.96**	26,603.12
EXPENDITURE			
Cost of Material Consumed	20	**24,319.74**	13,804.31
Purchase of stock in trade		**7,342.42**	3,296.30
Changes in inventories of Finished Goods, Work in progress and Stock in Trade	21	**(2,661.04)**	(328.14)
Employee benefits expense	22	**1,796.03**	1,434.88
Finance Costs	23	**2,038.08**	1,448.35
Depreciation and Amortization expense	9	**902.37**	1,032.68
Other Expenses	24	**2,461.05**	3,089.25
Total Expenditure		**36,198.65**	23,777.63
Profit before Exceptional Items & Extraordinary Items and Tax		**5,283.31**	2,825.49
Exceptional items		**46.68**	-
Profit Before tax		**5,236.63**	2,825.49
Tax Expenses			
Previous year adjustments		**81.80**	(128.57)
Current Tax		**1,128.63**	664.62
Deferred Tax		**1,051.37**	82.00
Mat Credit Entitlement		**(102.02)**	(220.65)
MAT Credit Utilised		**15.56**	-
Profit for the Year (Before Minority Interest)		**3,061.29**	2,428.09
Less : Share of Profit of Minority Interest		**-**	-
Profit for the Year		**3,061.29**	2,428.09
Earnings Per Equity Share			
Basic		**14.88**	12.03
Diluted		**14.88**	12.03
Face Value of Equity Shares (in ₹)		**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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397
Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lakhs)

	Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Net Profit Before Tax	**5,236.63**	2,825.49
	Adjustments for :		
	Depreciation	**902.37**	1,032.68
	Finance expenses	**2,889.86**	1,448.35
	Provision for gratuity	**103.10**	25.77
	Provision for CSR Expenses	**50.25**	50.00
	Provision for bad and doubtful debts	**-**	-
	Interest, dividend income	**(36.29)**	(18.86)
	Increase/ Diminution in value of investment	**0.03**	-
	Unrealized Foreign exchange gain/ loss	**13.69**	22.45
	Operating Profit before working capital changes	**9,159.64**	5,385.88
	Adjustments for :		
	Trade and Other Receivables	**(5359.58)**	1,747.29
	Short- term Loans and Advances	**(2,785.29)**	(106.61)
	Other Current Assets	**2,266.67**	(753.70)
	Inventories	**(1,111.78)**	(568.53)
	Trade and Other Payables	**4920.83**	2,517.74
		(2069.14)	2,836.19
	Taxes Paid	**(364.31)**	(138.55)
	Cash Generated from Operations	**6726.19**	8,083.52
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets(refer note 9)	**(4,672.43)**	(9,347.48)
	Purchase of Investment	**(0.02)**	(0.01)
	Long -term Loans and Advances	**14.94**	(46.26)
	Revaluation of Assets	**-**	-
	Interest received	**36.29**	18.86
	Net Cash used in Investing Activities	**(4,621.22)**	(9,374.89)
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from Short term Borrowings	**(2,749.85)**	1,445.17
	Proceeds from Long term Borrowings	**3,384.35**	303.15
	Interest paid	**(2,889.86)**	(1,448.35)
	Issue of Equity Shares (Convertible Warrants)	**-**	1,068.75
	Dividend paid (including Dividend Distribution Tax)	**(361.13)**	(344.46)
	Net Cash from Financing Activities	**(2,616.49)**	1,024.26
	Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)	**(511.52)**	(267.10)
	Cash and Cash equivalents at the beginning of the year	**1,553.98**	1,843.53
	Exchange difference on translation of foreign currency cash and cash equivalents	**(13.69)**	(22.45)
	Cash and Cash equivalents at the end of the year	**1,028.77**	1,553.98

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 621.58 lakhs held as Margin money pledged with the bank. (Previous year Rs 667.11 lakhs)

As per our report of even date

For **J.P.J. Associates**
Chartered Accountants
Firm Registration No. 113012W

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

Place : Badlapur
Date : May 23, 2016

CONSOLIDATED

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, 2013 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, Lasa Supergenics 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%
Lasa Supergenics Limited	India	100.00%

The financial statements of the parent company and its subsidiaries 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 subsidiaries.

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:

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 **year** 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 progress

Finished Goods and Work in progress 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/CUSTOMS 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 all fixed assets is provided as per the provisions of Companies Act, 2013 on Written Down Value Method. Depreciation is calculated on pro-rata basis from month of installation till the month of the assets are sold/ disposed off.

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 expenses 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 MARCH 31, 2016

The previous quarter figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

NOTE No. 1 - SHARE CAPITAL

(₹ in Lakhs, except for share data)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital:		
35,000,000 Equity Shares of ₹10/- each	**3,500.00**	3,500.00
Issued, Subscribed and Paid up Capital:		
20,578,004 Equity Shares of Rs 10/- each, fully paid-Up	**2,057.80**	2,057.80
TOTAL	**2,057.80**	2,057.80

Reconciliation of Share Capital:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of Share	Amount	No. of Share	Amount
Authorised Capital:				
Authorised Share Capital at the beginning of the Year	**35,000,000**	**3,500.00**	25,000,000	2,500.00 *
Increase during the year	**-**	**-**	10,000,000	1,000.00
Authorised Share Capital at the end of the Year	**35,000,000**	**3,500.00**	35,000,000	3,500.00
Issued, Subscribed and Paid up capital				
At the beginning of the Year	**20,578,004**	**2,057.80**	19,628,004	1,962.80 *
Add : During the year	**-**	**-**	950,000	95.00
At the end of the Year	**20,578,004**	**2,057.80**	20,578,004	2,057.80
Face value Rs 10/-				

Details of Shareholding more than 5% in the company

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Share	Amount	No. of Share	Amount
Pravin Herlekar*	**10258874***	**1,025.89**	9,715,971	971.60
Anjali Herlekar	**1,208,240**	**120.82**	1,208,240	120.82
SBI Magnum Midcap Fund	**-**	**-**	1,463,755	146.38
TOTAL	**11,467,114**	**1,146.71**	12,387,966	1,238.80

Notes:

1) During FY 2009-10, 1,126,600 Equity Shares of Rs 100/- each have been allotted as Bonus Shares by capitalisation of Profits & Security Premium A/c.
2) Nominal value of Rs 100/- per Equity Share was sub divided into Rs 10/- per Equity Share, during the FY 2010-11.
3) Further, during the FY 2010-11, 8,100,004 Equity Shares of ₹ 10/-each were issued at premium of ₹ 88/- each by Public Offer.

*4) Mr. Pravin S. Herlekar holds 10,548,874 Equity Shares as on March 31, 2016, out of which 290,000 shares are encumbered. (As on March 31, 2015, 110,603 shares are not reflected in his name & 722,300 shares are encumbered.)

5) The Company has issued one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE NO. 2 – RESERVES & SURPLUS

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Premium Account		
Opening Balance	**7,370.69**	6,040.69
Add: Additions during the period	**-**	1,330.00
Closing Balance	**7,370.69**	7,370.69
Capital Reserve		
Opening Balance	**97.38**	97.38
Add: Additions during the period	**-**	-
Closing Balance	**97.38**	97.38
General Reserve		
Opening Balance	**830.40**	680.40
Add: Transfer from Profit and Loss Account	**-**	150.00
Closing Balance	**830.40**	830.40
Profit & Loss Account		
Opening Balance	**6,500.83**	4,583.87
Add : Profit for the period	**3,061.29**	2,428.09
	9,562.13	7,011.96
Less : Appropriations		
Less : Proposed Dividend (₹1.5 per share) (Previous Year ₹1.5 per share)	**308.67**	308.67
Less Tax on Dividend	**62.84**	52.46
Less Transfer to General Reserve	**-**	150.00
Closing Balance	**9,190.62**	6,500.83
TOTAL	**17,489.09**	14,799.30

NOTE NO. 3 – BORROWINGS

Particulars	As at March 31, 2016				As at March 31, 2015			
	Long Term	Current maturities of Long-term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total
Secured Borrowings								
(a)Bonds / Debentures								
(b)Term Loans				-				
1)From Banks	**8,976.94**	**1,878.80**		**10,855.74**	5,034.56	1,818.41	-	6,852.98
2)From Financial Institutions & Others				-	-	-	-	-
c)Repayable on Demand				-				-
1)From Banks			**8,893.31**	**8,893.31**			12,849.32	12,849.32
2)From Financial Institutions & Others	**11.31**			**11.31**	11.31	2.11	-	13.42
Sub-Total (A)	**8,988.25**	**1,878.80**	**8,893.31**	**19,760.36**	5,045.87	1,820.52	12,849.32	19,715.72
Unsecured Borrowings								
a) Term Loan from Financial Institutions & Others	**458.30**	**166.70**	**-**	**625.00**	625.82	125.00	-	750.82
b) Loan from Financial Institutions & Others			**17.39**	**17.39**			157.35	157.35
c)Loans from Directors			**9.11**	**9.11**	-	-		-
d)Loans from Banks	**-**		**2,392.80**	**2,392.80**	390.51	325.00	1,055.79	1,771.30
Sub-Total (B)	**458.30**	**166.70**	**2,419.30**	**3,044.30**	1,016.33	450.00	1,213.14	2,679.47
TOTAL (A+B)	**9,446.55**	**2,045.50**	**11,312.61**	**22,804.66**	6,062.20	2,270.52	14,062.46	22,395.19

Notes:

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

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	645.62	1,233.18	**1,878.80**
1-2 Years	1,407.00	638.69	**2,045.69**
2-3 Years	1,407.00	638.69	**2,045.69**
After 3 Years	3,448.50	1,437.05	**4,885.55**
Total	**6,908.12**	**3,947.61**	**10,855.73**

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE NO. 4 – DEFFERED TAX		
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	**230.00**	(1,486.24)
Deferred Tax Assets:		
On account of gratuity	**256.10**	167.80
Others	**1,337.85**	1,127.74
Net Difference	**1,428.74**	(2,781.78)
Tax Rate in %		
Net Deferred Tax (Assets)/Liabilities	**(1,127.20)**	75.84
NOTE NO. 5 – LONG TERM PROVISIONS		
Provision for Gratuity	**252.21**	149.11
Provision for Leave encashment	**25.41**	15.91
Payables to Subsidiary Desh Chemicals Private Ltd	**0.00**	-
TOTAL	**277.62**	165.02
NOTE NO. 6 – TRADE PAYABLES		
Creditors for Goods	**9,276.38**	5,770.76
Creditors for Expenses	**541.74**	365.53
TOTAL	**9,818.12**	6,136.29
NOTE NO. 7 – OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer Note 3)	**2,045.50**	2,270.52
Interest accrued but not due on borrowings	**42.53**	359.30
Advances received from customers	**1,808.98**	169.45
Unclaimed dividend	**1.15**	0.76
Creditors for capital goods	**427.19**	289.17
Other Payables	**148.05**	89.76
Statutory liabilities	**214.75**	104.88
Other current liability	**1.09**	-
TOTAL	**4,689.24**	3,283.84
NOTE NO. 8 – SHORT TERM PROVISIONS		
Others Provisions		
Proposed Dividend	**308.67**	308.67
Tax on proposed Dividend	**62.84**	52.46
Provision for CCR	**100.00**	50.00
Provision for Taxation (Net)	**1,576.83**	859.99
Other expenses	**23.21**	7.97
TOTAL	**2,071.55**	1,279.09

NOTE NO. 9- FIXED ASSETS

(₹ in Lakhs)

Particulars	Useful life of assets (Years)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on April 1, 2015	Additions	Deduction	**As on March 31, 2016**	As on April 1, 2015	Current Depreciation	Deduction	**As on March 31, 2016**	**As on March 31, 2016**	As on April 1, 2015
Tangible Assets											
Leasehold Land	-	1,595.47	-	-	**1,595.47**	65.16	8.03		**73.19**	**1,522.28**	1,529.59
Factory Building	30	4,041.31	27.91	-	**4,069.22**	701.53	112.36	-	**813.89**	**3,255.33**	3,333.62
Residential Premises	20	53.17	-	-	**53.17**	7.00	2.56	-	**9.56**	**43.61**	46.17
Plant & Machinery (R&D)	10	1,325.71	794.89	-	**2,120.60**	289.45	145.19	-	**434.64**	**1,685.96**	1,040.80
R & D Plant and Machinery (Non 35(2AB) Units)	10	902.19	-	-	**902.19**	14.26	45.99	-	**60.25**	**841.94**	887.93
R & D Plant and Machinery (Others)	10	423.48	-	-	**423.48**	7.62	21.93	-	**29.55**	**393.93**	415.86
Plant & Machinery	20	10,068.22	34.69	-	**10,102.91**	2,443.92	396.91	-	**2,840.83**	**7,262.08**	7,588.67
Electrical Installation	10	524.56	3.02	-	**527.58**	228.66	38.53	-	**267.19**	**260.38**	305.56
Furniture & Fixture	10	158.55	0.23	-	**158.78**	64.98	11.88	-	**76.86**	**81.93**	94.30
Office Equipments	5	72.12	1.46	-	**73.58**	37.43	11.17	-	**48.60**	**24.98**	35.09
Computer	3	81.34	2.93	-	**84.27**	58.49	10.15	-	**68.64**	**15.62**	22.60
Motor Car and Cycle	5	103.28	0.65	-	**103.93**	32.62	13.69	-	**46.31**	**57.62**	70.66
Assets less than Rs 5,000/-	1	6.63	0.50	-	**7.13**	6.63	0.50	-	**7.13**	**0.00**	-
Sub total (A)		**19,356.03**	**866.27**	**-**	**20,222.31**	**3,957.76**	**818.89**	**-**	**4,776.65**	**15,445.66**	**15,370.86**
Intangible Assets											
Patent	5	410.13	195.71	-	**605.84**	2.54	82.45	-	**84.99**	**520.85**	407.60
Goodwill		423.77		334.71	**89.06**	-	-	-	**-**	**89.06**	423.77
Computer Softwares	1	55.94	-	-	**55.94**	44.64	1.03	-	**45.67**	**10.27**	16.85
Sub total (B)		**889.84**	**195.71**	**334.71**	**750.84**	**47.18**	**83.49**	**-**	**130.66**	**620.17**	**848.22**
Capital Work in Progress											
Intangible		15.24	1.90	-	**17.14**	-	-	-	**-**	**17.14**	43.09
Tangible		10,928.88	4,724.38	781.13	**14,872.13**	-	-	-	**-**	**14,872.13**	10,922.90
Sub total (C)		**10,944.11**	**4,726.29**	**781.13**	**14,889.27**	**-**	**-**	**-**	**-**	**14,889.27**	**10,965.99**
GRAND TOTAL (A+B+C)		**31,190.00**	**5788.26**	**1,115.84**	**35,862.42**	**4,004.93**	**902.38**	**-**	**4,907.33**	**30,955.11**	**27,185.07**
Previous Year		21842.52	13,743.02	4,395.54	31,190	2,972.34	1,032.59	-	4,004.93	27,185.07	18,757.17

(₹ in Lakhs)

Particulars		As at March 31, 2016	As at March 31, 2015
NOTE NO. 10 – NON CURRENT INVESTMENTS	**No. of Shares**		
Investment in Mutual Fund (Fully paid up,Non Trade, Quoted)			
Baroda Pioneer Mutual fund (Face Value Rs 10/- per unit)	100000	**10.00**	10.00
Less : Dimunition in Value of Investment		**3.32**	3.29
(Market Value as on March 31, 2016 Rs 6.68 lakhs)			
Sub total (A)	100000	**6.68**	6.71
Saraswat Co -Op Bank Ltd	6000	**0.61**	0.60
Sub total (B)	6000	**0.61**	0.60
TOTAL (a+b+c)	106000	**7.29**	7.31
NOTE NO. 11 – OTHER NON CURRENT ASSETS			
Preliminary Exp Not W/off		**35.09**	-
TOTAL		**35.09**	-
NOTE NO. 12 – LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)			
Deposits		**89.01**	103.95
Loans and Advances to Subsidiaries			
Urdhwa Chemicals Co Private Limited		**-**	-
Lasa Laboratory Private Limited		**-**	-
Lasa Super generics ltd		**-**	-
TOTAL		**89.01**	103.95
NOTE NO. 13 – INVENTORIES			
Stores and spare parts		**1.12**	3.77
Raw materials		**1,417.13**	2,961.57
Packing Material		**-**	2.17
Work-in-progress		**7,124.85**	4,856.05
Finished products		**1,444.23**	1,051.99
TOTAL		**9,987.33**	8,875.55
NOTE NO. 14 – TRADE RECEIVABLES			
(Unsecured and Considered Good)			
More than six months		**1,765.13**	1,589.88
Others		**11,307.64**	6,088.31
Sub-Total (A)		**13,072.77**	7,678.19
(Unsecured and Considered Doubtful)			-
More than six months		**-**	100.00
Others		**-**	
Less: Provision for doubtful Trade Receivables		**35.00**	100.00
Sub-Total (B)		(35.00)	-
TOTAL (A+B)		**13037.77**	7,678.19

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE NO. 15 – CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balance with Banks	**403.45**	787.74
Cash on hand	**3.74**	98.27
In Earmarked Accounts	**-**	78.27
Held as Margin Money	**621.58**	588.84
Fixed deposits with Banks	**-**	0.86
TOTAL	**1,028.77**	1,553.98
NOTE NO. 16 – SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Staff Advance	**1.13**	0.53
Advances to suppliers	**430.75**	227.13
Deposits	**0.15**	-
Intercorporate debt	**0.00**	-
Capital Advance	**63.95**	14.73
Prepaid Expenses	**35.09**	18.81
Other Taxes and Duties	**2,515.42**	1957.41
TOTAL	**3,046.49**	2218.61
NOTE NO. 17 – OTHER CURRENT ASSETS		
Prepaid Expenses	**22.56**	9.80
Other Assets	**58.34**	57.18
Interest accrued but not due on advances	**0.93**	327.76
Income Tax (Net)	**-**	17.45
Other Taxes and Duties	**-**	-
Custom duty Refundable	**21.10**	-
TOTAL	**102.93**	412.19

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
NOTE NO. 18 – REVENUE FROM OPERATION		
Sale of Products		
Domestic Sales	**40,724.71**	21,801.03
Exports Sales	**5,768.04**	6,716.61
Sales (Gross)	**46,492.75**	28,517.64
Less : Excise Duties	**5,223.95**	2,186.69
Sales (Net)	**41,268.80**	26,330.95
Sale of Services		
Job work Charges	**72.01**	182.42
Net Sales & Services	**41,340.81**	26,513.37

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
NOTE NO. 19 – OTHER INCOME		
Interest Income	**36.29**	18.85
Duty Drawback receivable	**39.44**	39.90
Sale of sample	**-**	1.52
Miscellaneous receipts	**51.69**	9.93
Dividend Income	**0.04**	0.01
Forex Gain	**13.69**	19.54
TOTAL	**141.15**	89.75
NOTE NO. 20 – COST OF MATERIAL CONSUMED		
Opening Stock of Raw materials	**2,963.74**	2,861.49
Add : Purchases	**22,773.13**	13,906.56
Less : Closing Stock of Raw Materials	**1,417.13**	2,963.74
TOTAL	**24,319.74**	13,804.31
NOTE NO. 21 – CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Opening Inventories :		
Finished products	**1,051.99**	1,462.87
Work- in-progress	**4,856.05**	4,117.03
Sub Total (A)	**5,908.04**	5,579.90
Closing Inventories :		
Finished products	**1,444.23**	1,051.99
Work- in-progress	**7,124.85**	4,856.05
Sub Total (B)	**8,569.08**	5,908.04
TOTAL (A+B)	**(2,661.04)**	(328.14)
NOTE NO. 22 – EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages & Other Benefits	**1,726.05**	1,351.88
Contribution to Provident and Other Funds	**27.84**	36.92
Workmen and staff welfare expenses	**42.14**	46.08
Total	**1,796.03**	1,434.88
Note: Salaries, Wages & Other Benefits, recognised as expense for the year is as under :		
Salaries and Wages	**755.12**	743.07
Directors Remuneration	**298.45**	201.21
Bonus, Gratuity and other incentives	**155.39**	65.44
Employers Contribution to ESIC & Other fund	**3.17**	3.44
Contribution to Labour Welfare Fund	**0.03**	0.02
Contract Labour Charges	**513.89**	437.54
Gross Total	**1,726.05**	1,450.72
Less: Project Development Expenditure Capitalised	**-**	98.84
Net Total	**1,726.05**	1,351.88

22.1 The following tables sets out the disclosures relating to gratuity benefits as required by Accounting Standard -15 Employee Benefits:

Past Service Cost Recognised		
Past Service Cost-(non vested benefits)	**-**	-
Past Service Cost-(vested benefits)	**-**	-
Average remaining future service till vesting of benefits	**-**	-

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
Recognized Past Service Cost-non vested benefits	-	-
Recognized Past Service Cost –vested benefits	-	-
Unrecognised Past Service Cost –non vested benefits	-	-
22.2 Actuarial Gain/(loss) Recognised		
Actuarial gain/(Loss) for the period (Obligation)	**0.40**	44.50
Actuarial gain/(Loss) for the period (Plan Assets)	-	-
Total Gain/(Loss) for the period	**0.40**	44.50
Actuarial Gain/(Loss) recognized for the period	**0.40**	37.19
Unrecognised Actuarial Gain/(Loss) at the end of the period	-	-
22.3 Changes in the present value of obligation:		
Present value of obligation at beginning of period	**120.52**	139.08
Add : Interest Cost	**9.23**	10.99
Add: Current Service Cost	**26.81**	47.95
Add; Past Service Cost	-	-
Less: Benefits paid	**(3.44)**	(3.14)
Add: Actuarial (gain)/loss on obligation	**(0.40)**	(44.50)
Present value of obligation at end of period	**152.72**	150.40
22.4 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	**3.44**	3.14
Less: Benefits Paid	**(3.44)**	(3.14)
Add: Actuarial Gain/(loss) on plan assets	-	-
Fair Value of Plan Assets at end of period	-	-
22.5 Amounts recognized in the balance sheet		
Present value of obligation at the end of the period	**152.72**	150.70
Less: Fair Value of Plan Assets at end of period	-	-
Funded Status	**(152.72)**	(150.40)
Unrecognized Past Service Cost		-
Net Asset/(Liability) recognized in the Balance Sheet	**(152.72)**	(150.53)
22.6 Expenses recognized in the profit and Loss account		
Current Service Cost	**26.81**	47.94
Add: Interest Cost	**9.23**	10.99
Add:Past Service Cost	-	0.0
Add: Net Actuarial (Gain)/Loss recognised	**(0.40)**	25.74
Expenses recognized in the Profit and loss Account	**35.64**	14.71
22.7 The following table sets out the assumptions used in actuarial valuation of gratuity:		
Interest/Discount Rate	**8%**	8%
Rate of increase in compensation	**0.15%**	0.15%
Rate of return (expected) on plan assets	**N.A.**	0 to 3:3%
Employee Attrition Rate (Past Service)	**0 to 42 : 4.5%**	3 to 42:0%

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
NOTE NO. 23 – FINANCE COST		
Interest Expenses (Note-II)	**2,737.75**	2,114.91
Other Borrowing Costs	**152.11**	158.68
Applicable net gain/loss on foreign currency transactions and translation	**-**	(7.93)
Gross Total	**2,889.86**	2,265.66
Less: Interest Capitalised	**851.78**	817.31
Net Total	**2,038.08**	1,448.35
Note II:Interest Expenses includes :		
On loans for fixed periods from banks	**569.11**	752.90
On cash credit and other facilities from banks	**2,168.64**	1,362.01
On loans from holding companies	**-**	-
TOTAL	**2,737.75**	2,114.91
NOTE NO. 24 – OTHER EXPENSES		
Other Manufacturing Expenses		
Factory Electricity charge	**481.16**	336.92
Water Charges	**74.31**	40.65
Packing & Testing Charges	**0.42**	7.89
Laboratory Expenses	**268.04**	179.65
Consumable Stores	**88.91**	305.70
Processing Charges	**329.23**	828.32
Repairs & Maintenance- Building	**9.22**	8.15
Repairs & Maintenance - Machinery	**74.91**	166.58
Freight Inward	**115.49**	202.12
Sundry Factory Expenses	**26.75**	20.24
Other Manufacturing Expenses	**38.04**	-
Sub Total (A)	**1,506.48**	2,096.22
Administrative, Selling and Distribution Expenses		
Sales Promotion Expenses	**31.19**	75.58
Commission on Sales	**76.91**	71.90
Conveyance & Travelling Expenses	**12.94**	62.54
Freight & Transportation - Sales	**170.40**	171.20
Misc. Expenses	**63.85**	104.18
Provision for Bad debts/Badbebts	**87.93**	-
Postage, Telephone/Telegram/Internet Charges	**41.71**	56.78
Repairs & Maintenance- Others	**26.55**	17.70
Forex Loss on Sales	**186.04**	102.20
Insurance	**52.72**	30.33
Printing & Stationery	**15.45**	29.11
Professional Charges	**112.03**	166.86
Rent, Rates & Taxes	**16.84**	42.80
Payments to Auditors	**9.76**	11.85
CSR Expenses	**50.25**	50.00
Sub Total (B)	**954.57**	993.03
TOTAL (A+B)	**2,461.05**	3,089.25

(₹ in Lakhs)

Particulars	For Year ended March 31, 2016	For Year ended March 31, 2015
24.1 Payment to Auditors		
a) As Auditor	**7.71**	7.46
b) For Taxation Matter	**1.35**	1.35
c) For Other Services	**0.57**	1.69
Total	**9.63**	10.50
24.2 Value of Imported Raw material & stores consumed & percentage of consumption		
Raw Material		
Imported	**2,169.25**	8,197.32
Percentage	**8.92%**	59.38%
Indigenous	**22,150.50**	5,606.99
Percentage	**91.08%**	40.62%
Total	**24,319.75**	13,804.31
Percentage	**100%**	100%
Consumables		
Imported	**Nil**	Nil
Percentage	**Nil**	Nil
Indigenous	**88.91**	305.70
Percentage	**100%**	100%
Total	**88.91**	305.70
Percentage	**100%**	100%
24.3 Earnings and Expenditure in foreign currency		
Earnings In Foreign Exchange		
Value Of Export (FOB)	**5,768.04**	6561.80
Expenditure In Foreign Currency		
Purchase Of Materials	**2,195.63**	9819.59
Capital Expenditure	**-**	2.44
Other Expenses	**26.39**	66.78
Interest	**200.86**	208.02
Value Of Import On CIF Basis		
Raw Material	**2,195.63**	9714.10
Capital Goods	**-**	2.44
24.4 The Company has incurred the following expenses on research and development activity:		
On Tangible Fixed Assets	**13.02**	308.76
On items which have been expensed during the year*	**286.64**	45.97
TOTAL	**299.67**	354.73
* Includes amount of ₹Nil Paid to external agency in current year (Previous Year Rs 3.41 lakhs)		
NOTE NO. 25 – BASIC AND DILUTED EARNINGS PER SHARE		
Profit attributable to Equity shareholder	**3,061.29**	2,428.09
Weighted average number of Equity shares :		
Basic	**20,578,004**	20,184,990
Diluted	**20,578,004**	20,184,990
Earning per share in ₹		
Basic	**14.88**	12.03
Diluted	**14.88**	12.03

CONSOLIDATED

NOTE NO. 25.1 - Particulars of Sales and Stock of Finished goods (Manufacturing Goods) : (Rs. in Lakhs)

Particulars	Opening Stock	Sales	Closing Stock
Iodine Compounds	**320.05**	**11,804.26**	**178.84**
	743.34	*8,877.56*	*320.05*
Selenium Compounds	**55.63**	**2,246.49**	**40.17**
	65.34	*1,675.81*	*55.63*
Intermediates	**178.07**	**4,474.71**	**131.26**
	138.95	*2,875.21*	*178.07*
Lasa Sales	**451.01**	**12,378.29**	**1,019.93**
	366.22	*5,683.02*	*451.01*
Others	**17.64**	**9,866.50**	**32.03**
	13.81	*6,357.01*	*17.64*
Resolving Agents	**29.59**	**570.56**	**42.00**
	34.75	*1,044.76*	*29.59*
TOTAL	**1,051.99**	**41,340.81**	**1,444.23**
	1,362.41	*26,513.37*	*1,051.99*

The Figures In Italics Pertains To Previous Year

NOTE NO. 25.2 - Particulars of Work in Progress:

Particulars	Opening Stock	Closing Stock
Iodine Compounds	**531.00**	**3,190.28**
	1,225.39	*531.00*
Selenium Compounds	**2,041.69**	**1,442.22**
	1,999.67	*2,041.69*
Lasa Stock	**603.65**	**1,432.68**
	132.45	*603.65*
Intermediates	**1593.79**	**997.83**
	700.54	*1,593.79*
Others	**8.77**	**9.29**
	7.78	*8.77*
Resolving Agents	**77.15**	**52.56**
	51.20	*77.15*
TOTAL	**4,856.05**	**7,124.85**
	4,117.03	*4,856.05*

The Figures In Italics Pertains To Previous Year

Note No. 25.3 - Particulars of purchases, consumption and stock of materials:

Particulars	Opening Stock	Purchases	Consumption	Closing Stock
Crude iodine	**54.96**	**722.59**	**412.65**	**364.90**
	304.40	*7,992.95*	*8,242.39*	*54.96*
Selenium Metal Powder	**10.73**	**532.67**	**526.18**	**17.22**
	66.10	*729.81*	*785.18*	*10.73*
Intermediates	**1,525.27**	**8,974.83**	**10,095.14**	**404.96**
	1,265.30	*6,409.26*	*6,149.29*	*1,525.27*
Others	**1,372.78**	**19,885.46**	**20,771.98**	**486.26**
	1,225.70	*2,070.84*	*1,923.76*	*1,372.78*
TOTAL	**2,963.74**	**30,115.55**	**31,805.95**	**1,273.34**
	2,861.50	*17,202.86*	*17,100.61*	*2,963.74*

The Figures In Italics Pertains To Previous Year

* above consumptions also includes cost of goods traded

NOTE NO. 26 - RELATED PARTY TRANSACTIONS

Party	Relationship
Mr. Pravin S. Herlekar	Director – Key Managerial Personnel
Mr. Omkar P. Herlekar	
Ms. Anjali P. Herlekar	
Mr Siddharth S. Sinkar	
Mr Shivanand G. Hegde	
Mr. Prakash Rao	
Mr Rishikesh P.Herlekar	
Svaks Biotech India Private Limited	Company owned by Key Managerial Personnel

Nature of Transaction	Relationship	As at March 31, 2016	As at March 31, 2015
Directors Remuneration/Salary	Key Managerial Personnel	**115.38**	94.21
Commission to Directors	Key Managerial Personnel	**188.36**	102.00
Management Consultancy Fees	Key Managerial Personnel	**-**	16.85
Directors Remuneration/Salary	Relative – Key Managerial Personnel	**-**	6.38
Dividends	Key Managerial Personnel	**198.21**	187.62

Particulars			
Money Received Against Warrants	Number of Warrants	**As at March 31, 2016**	As at March 31, 2015
Mr. Pravin S. Herlekar	190,000	**-**	285.00
Mr. Omkar P. Herlekar	190,000	**-**	285.00
Mr. Rishikesh P. Herlekar	190,000	**-**	285.00
Svaks Biotech India Private Limited	380,000	**-**	570.00
	950,000	**-**	1,425.00

During the Previous financial year 2015, the Company has issued & allotted 950,000 Warrants convertible into Equity Shares of the Company, on preferential basis, @ ₹ 150/- per warrant, on the receipt of 25% of the total amount as upfront money as required under Clause 77(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The said Warrants were issued on 6th March, 2013 and the holders thereof can exercise the option for conversion of the same till September 5, 2014 (i.e. the expiration of 18 months from the date of allotment) and on the payment of balance 75% of the total amount as required under the aforesaid Regulations.

NOTE NO. 27 - CONTINGENT LIABILITIES AND COMMITMENTS :

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 45.00 crores)

Contingent Liability in respect of income tax demands against which company has filed appeals with Income Tax Appellate Tribunal for Assessment Years 2009-10, 2010-11 and 2011-12. The total demand (net of payments) is Rs 211.48 Lakhs

Contingent Liability in respect of sale tax demands against which company has filled appeal / granted stay order for Financial Years 2009-10. The total demand (net of payments) is Rs 20.08 Lakhs

ii. Commitments :

Particulars	As at March 31, 2016	As at March 31, 2015
Letter of Credit	**3,851.62**	3,009.83
Amount to be executed for forward contracts	**-**	1028.81
Estimated Amount of Contracts remaining to be executed on capital account	**4.06**	974.00
Total	**3,855.68**	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

Sd/-
CA Sandesh Deorukhkar
Partner
M.No. 044397
Place : Badlapur
Date : May 23, 2016

For and on behalf of the Board of Directors

Sd/-
Pravin Herlekar
(Chairman and Managing Director)
(DIN: 00525610)

Sd/-
Omkar Herlekar
(Whole Time Director)
(DIN: 01587154)

Sd/-
Pravin Agrawal
(Chief Financial Officer)

Sd/-
Sunny Pagare
(Company Secretary)
(M. No.: A27431)

OMKAR SPECIALITY CHEMICALS LIMITED

CIN: L24110MH2005PLC151589
Reg. Off.: B-34, M.I.D.C., Badlapur (E) Dist: Thane, Maharashtra.
Tel No. +91(0251) 2690651/ 2697340, Fax: +91(0251) 2691572/ 2697347
E-mail: investor@omkarchemicals.com, Website: www.omkarchemicals.com

11th Annual General Meeting – September 26, 2016

Name of the member(s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:

I/We, being the member(s) of ……. shares of the above named company, hereby appoint:

1. Name: …… Address:……
   E-mail Id:……..Signature:…….or failing him;
2. Name: …… Address:……
   E-mail Id:……..Signature:…….or failing him;
3. Name: …… Address:……
   E-mail Id:……..Signature:……

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 11th Annual General Meeting of the Company, to be held on Monday, September 26, 2016 at 04.30 p.m. at Sanjeevani Hall, next to Monginis Cake Shop, Badlapur (East), Thane–421503, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Financial Statements (Standalone & Consolidated) for the financial year ended March 31, 2016.		
2	To declare dividend on the Equity Shares		
3	Re-appointment of Mr. Omkar P. Herlekar (DIN: 01587154) who retires by rotation and being eligible, seeks reappointment.		
4	Re-appointment of CA Laxmikant R. Kabra (DIN: 00061346) who retires by rotation and being eligible, seeks reappointment.		
5	Ratification of the appointment of Statutory Auditor		
Special Business			
6	Appointment of Mr. Subhash P. Mali (DIN: 00034769) as an Executive Director of the Company		
7	Ratification of remuneration of Cost Auditors		

Signed this…… day of…….. 2016

AFFIX
Re. 1/-
REVENUE
STAMP

…….
Signature of shareholder

…….
Signature of Proxy holder(s)

Notes:

1. **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**.
2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Bank. Further, a Member holding more than ten percent, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

   * it is optional to put a '√' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

SENIOR MANAGEMENT TEAM OF OMKAR SPECIALITY CHEMICALS LIMITED

Standing from left to right: Mr. Rajesh Jagde, Mr. Subhash Ambatkar, Mr. Sunil Vankundre, Mr.Bhanu Pratap Singh Gautam, Mr. Girish Deshpande, Mr. Vivek Acharya, Mr. Kusumakar Gholatkar
Sitting from left to right: CS Sunny Pagare, Mr. Shriram Modak, Mr. Vaman Acharya, Mrs. Smruti Naik, Mr. Pravin Agrawal, Mr. Prasanna Athavale

SENIOR MANAGEMENT TEAM OF LASA LABORATORY PRIVATE LIMITED

Standing from left to right: Mr. Vijay Bhatt, Mr. Sumant Kharasambale, Mr. Pravin Jha, Mr. Siddharth Verma, CS Hitesh Wadhwani, Mr. Anirudha Toraskar, Mr. Ganesh Jagtap, Mr. Prakash Patil, Mr. Amrish Gadge
Sitting from left to right: Mr. Anil Fergade, Mr. Ramesh Singh, Mr. Omkar Herlekar, Mr. Shivanand Hegde, Mr. Hiral Patel, Mrs. Ketki Parte

OMKAR

Always the leaders

OMKAR SPECIALITY CHEMICALS LIMITED

CIN : L24110MH2005PLC151589
B-34, MIDC, BADLAPUR (EAST), THANE - 421503
TEL NO. +91-251-2697340/2690651, FAX: +91-251-2697347/2691572
E-MAIL ADDRESS: INFO@OMKARCHEMICALS.COM WEBSITE: WWW.OMKARCHEMICALS.COM

Printed by : www.westernpress.in