

OMKAR SPECIALITY CHEMICALS LIMITED

Reg. Off: B-34, M.I.D.C., Badlapur (East), Thane – 421 503
Tel.: +91 (0251) 2697340, 2690651, Fax: +91 (0251) 2697347, 2691572
Email: info@omkarchemicals.com; Web: www.omkarchemicals.com;
CIN: L24110MH2005PLC151589

Dear Member,

POSTAL BALLOT NOTICE (PURSUANT TO SECTIONS 2(65) AND 110 OF THE COMPANIES ACT, 2013)

Notice is hereby given that the following Resolutions are circulated herewith for approval of the members of Omkar Speciality Chemicals Limited ("the Company") to be accorded by Postal Ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form.

To consider and if thought fit, to give assent/dissent to the following Resolutions:

TO INCREASE THE BORROWING LIMITS OF THE BOARD OF DIRECTORS

Pursuant to the provisions of Section 180(1)(c) and other enabling provisions, if any, of the Companies Act, 2013, the Company proposes to increase its borrowing limits from Rs. 250 Crores to Rs. 500 crores for both, domestic and foreign borrowings in order to meet its working capital requirements and capital expenditure program, it is also proposed to authorize the Board to create charge/mortgage on the movable/immovable properties of the Company for securing the aforesaid borrowings in accordance with provisions of Section 180(1)(a) of the Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, approval of the Shareholders be and is hereby accorded to the Board of Directors for raising borrowing through loans, credit etc. from the existing limit of Rs. 250 crores to Rs. 500 crores (including Deposits but excluding temporary loans obtained from the Company's bankers in the ordinary course of business) for both, domestic and foreign currency borrowings from banks, financial institutions and other sources from time to time for the purpose of financing working capital requirements as also acquisition of capital assets and/or for the purpose of any other requirements of the Company both for capital and revenue in nature, notwithstanding that the money to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to the Committee of Directors or the Chairman & Managing Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

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

"RESOLVED THAT the approval of the shareholders be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary, to the Board of Directors to mortgage and/or charge, in addition to mortgage/charges created by the Company on such terms and conditions and at such time(s) and in such form and manner and with such ranking as to priority as the Board may determine, on all or any of the movable/immovable properties of the Company, both the present and future and/or whole or substantially whole or any part of undertaking(s) of the Company together with the power to take over the management of the Company and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s) and Trustee/Trustee(s) in foreign currency and/or Indian rupee currency and securities (comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments) issued/to be issued by the Company, from time to time, subject to the limit approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest, in case of default accumulated interest, liquidated damages, commitment charges premium on prepayments, remuneration of the Agents/Trustee, premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agents/Trustees, in respects of the said loans / borrowings / debentures / bonds or other securities and containing such specific terms and conditions covenants in respect of enforcement of security as may be stipulated in that behalf from time to time;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to the Committee of Directors or the Chairman & Managing Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

TO INCREASE THE INVESTMENT LIMIT OF BOARD OF DIRECTORS

The Company proposes to increase its limits for making investment or granting loans or providing guarantees or securities as per the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and Rule No. 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 from Rs. 250 crores to Rs. 500 crores.

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

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and Rule No. 11 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company hereby authorizes its Board of Directors to invest by way of subscription, purchase or otherwise in the securities of any other body corporate whether or not such body corporate is its subsidiary/associate company and/or to make loans to any person or body corporate and/or to give any guarantee or provide security in connection with loan(s) to any other body corporate or person even if such loans, guarantees, securities and investments together with the aggregate of loan(s) made, guarantee(s) given, security(ies) provided and investment(s) made from time to time is in excess of the ceiling prescribed under Section 186 of the Companies Act, 2013 computed on the basis of the Audited Accounts of the financial year immediately preceding the financial year in which such loans are made, guarantees given, securities provided and investments made, provided that the excess over the ceiling prescribed under Section 186 of the Companies Act, 2013 computed at the beginning of the financial year will not at any time exceed Rs. 500 crores at any one time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or the Chairman and Managing Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution,"

**By order of the Board
For Omkar Speciality Chemicals Limited**

**Place: Mumbai
Date: 20th June, 2014**

**Nirav Momaya
(Company Secretary)**

NOTES:

1. The Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013 in respect of Special Business of the Company is appended and forms part of the Notice.
2. The Company has appointed M/s Nilesh A. Pradhan & Co., Practicing Company Secretary, (Membership No. FCS 5445) as Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
3. The Postal Ballot Form together with the self-addressed Business Reply Envelope is enclosed for the use of the Member.
4. The Notice is being sent to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 20th June, 2014. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on that date.
5. You are requested to carefully read the instructions printed on the back side of Postal Ballot Form before exercising the vote and return the said form duly completed and signed in the enclosed self-addressed Business Reply Envelope, so as to reach the Scrutinizer at the address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072 before the close of working hours 6:00 PM on or before 3rd September, 2014. The envelope may also be deposited personally at the address given thereon. Consent received thereafter shall be treated as if the reply from the Member has not been received. Also, no other Form or Photocopy thereof is permitted. However, an envelope containing postal ballot if sent by any other modes at the expense of the registered Members will also be accepted till the close of working hours 6:00 PM on 3rd September, 2014.
6. The Company is pleased to offer e-voting facility as an alternative, for all its Members to enable them to cast their vote electronically instead of dispatching the Postal Ballot. E-voting is optional. In case a Member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions as given for E-Voting printed in this notice. He can use the facility and log in any number of times till he has voted on the Resolution or till the end of the voting period.
7. Members who have registered their e-mails for receipt of documents in electronic mode under the green initiative of Ministry of Corporate Affairs and who wish to vote through Postal Ballot Form can seek duplicate form by sending an e-mail to cs@omkarchemicals.com by mentioning their Folio/DP ID and Client ID No. and send/submit the same by post at the above given address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072.
8. The Scrutinizer will submit his Report after completion of the scrutiny, addressed to the Chairman and Managing Director of the Company, who will announce the result of voting by postal ballot on 5th September, 2014 at the Registered Office of the Company at B-34, MIDC, Badlapur (East) - 421503 and the Resolution will be taken as passed effectively on the date of announcement of the result by such authorized person, if the results of the Postal Ballot indicate that the requisite majority of the Members had assented to the Resolution. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

The result of the Postal Ballot will be posted on the website of the Company, www.omkarchemicals.com besides being notified to the BSE Limited and the National Stock Exchange of India Limited. The results shall also be announced through a newspaper advertisement.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

1. Item No. 1 and 2

The Company had granted the approval for borrowing the funds up to the limits of Rs. 250 cr. under the provisions of the Companies Act, 1956. With the coming into force of the Companies Act 2013 and pursuant to the provisions of Section 180(1)(c) of the said Act, the Board of Directors

of the Company cannot, except with the permission of the shareholders in General Meeting, borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies, which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs. 500 Crores.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees, with a power to take over the management of the Company and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013. Hence it is necessary to obtain approval for the same from the shareholders voting by postal ballot.

Your approval is sought by voting by postal ballot in terms of the provisions of Sections 2(65) and 102 of the Companies Act, 2013 or through e-voting pursuant to provisions of Section 108 of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Your directors recommend the special resolutions for your approval. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item No. 3

The Company is proposing to make substantial investments in the areas of its business. As a measure of achieving greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects, it is proposed that the Board of Directors be authorized to invest up to Rs. 500 Crore in any body corporate(s) by way of subscription and/or purchase of securities and/or debenture, grant of loan, guarantee and/or providing of security from time to time.

The Company had granted the approval for making investments, giving loans, granting guarantees and securities up to the limits of Rs. 250 cr. under the provisions of the Companies Act, 1956. With the coming into force of the Companies Act 2013 and as per Section 186 of the said Act, a Company cannot make investment, give loan or guarantee or provide any security in excess of the limits set out there in unless it is previously authorized by a special resolution. Hence, it is necessary to obtain approval for the same from the Members by passing a resolution. The funds required for the investment will be sourced through internal accruals, equity proceeds and/or borrowings.

Your approval is sought by voting by postal ballot in terms of the provisions of Sections 2(65) and 102 of the Companies Act, 2013 or through e-voting pursuant to provisions of Section 108 of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Your directors recommend the special resolutions for your approval. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

**By order of the Board
For Omkar Speciality Chemicals Limited**

**Place: Mumbai
Date: 20th June, 2014**

**Nirav Momaya
(Company Secretary)**

INSTRUCTIONS

Member(s) can opt only one mode for voting i.e. either by Physical Ballot or e-voting. In case you are opting for E-voting, then do not vote by Physical Ballot also and vice versa. However, in case Member(s) cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Postal Ballot will be treated as invalid.

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

1. A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, M/s Nilesh A. Pradhan & Co., Practicing Company Secretary ("Scrutinizer") at the address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072, in the attached self-addressed business reply envelope, on or before close of working hours 6:00 PM on 3rd September, 2014. The postage will be borne and paid by the Company. However, envelopes containing postal ballot form(s), if sent by courier or registered/speed post at the expense of the Member on or before close of working hours 6:00 PM on 3rd September, 2014 will also be accepted.
2. The self-addressed Business Reply Envelope is to be addressed to the Scrutinizer appointed by the Board of the Company.
3. This form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence by the next named Member. In case postal ballot form is signed through a Delegate, a copy of Power of Attorney attested by the Member shall be annexed to the Ballot.
4. The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick (✓) mark in the appropriate column.

5. Duly completed postal ballot form should reach the Scrutinizer at the address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072 before the close of the working hours i.e. 6:00 PM. All postal ballot forms received after this date will be strictly treated as if reply from such Member has not been received.
6. There will be only one postal ballot form for every folio irrespective of the number of joint Member (s).
7. In case of shares held by Companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution/Authority Letter.
8. A Member may request for duplicate postal ballot form, if so required. However, the duly completed duplicate postal ballot form should reach the Scrutinizer at the address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072, not later than the last date of receipt of postal ballot form i.e., 3rd September, 2014 before the close of the working hours at 6:00 PM.
9. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on 20th June, 2014.
10. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
11. A Member need not use all the votes nor needs to cast all the votes in the same way.
12. The Scrutinizer's decision on the validity of a postal ballot will be final and binding.
13. Incomplete, unsigned or incorrect postal ballot forms will be rejected.
14. The Company is pleased to offer e-voting facility as an alternative, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching postal ballot form. E-voting is optional. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.evoting.nsdl.com or seek duplicate Postal Ballot Form by sending an e-mail to cs@omkarchemicals.com by mentioning their Folio/DP ID and Client ID No.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice. The e-voting facility is available at the link <https://www.e-voting.nsdl.com>

The e-voting period commences on Sunday, 3rd August, 2014 (9:00 AM IST) and ends on Wednesday, 3rd September, 2014 (6:00 PM IST).

Please read the instructions below before exercising your vote:

Steps 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 for Postal Ballot. Now you are ready for e-voting as Cast Vote page opens.
 9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 10. Upon confirmation, the message "Vote cast successfully" will be displayed.
 11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@omkarchemicals.com, with a copy marked to evoting@nsdl.co.in.
 13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of Postal Ballot (for Members whose email addresses are not registered with the Company/Depositories):
 1. Initial password is provided at the bottom of the Postal Ballot Form: EVEN (E-Voting Event Number), user ID and password.
 2. Please follow all steps from Sl. No. 2 to Sl. No. 13 above, to cast vote.