



OMKAR
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OMKAR SPECIALITY CHEMICALS LIMITED

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

To,
Corporate Service Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400051
Fax: (022)26598237/38

Date: November 30, 2012

REF: Omkar Speciality Chemicals Limited (Stock Exchange Code OMKARSPC)

SUB: UPDATES ON UTILIZATION OF OUR IPO PROCEEDS AND STATUS OF OUR VARIOUS PROJECTS

Dear Sir / Madam,

We wish to inform you that, our Company has already completed the expansion programmes of our existing manufacturing facilities at Unit I and Unit II at MIDC, Badlapur. The capacities added in these Units are in line with the Prospectus for IPO. The expansion programmes at Unit III and Unit IV are under way and are expected to be completed by December 2013. The capacities being created in these Units are also in line with the prospectus.

As regards the expansion programme at Unit IV (Plot No.F-10, MIDC, Badlapur), we wish to inform you that, we have acquired the adjoining plot (F-9) admeasuring 2159 sq.mtrs. This was with a view to take benefit of larger operating area with respect to storage and safety considerations of chemicals. The acquisition of the said plot followed by its amalgamation in the existing plot (F-10) from government agencies like MIDC has taken considerable time. In view of this, the project was delayed and the work has now started and we expect to complete the same by December 2013.

The Company has already taken steps for implementation of projects at Unit III and Unit IV and the expenditure incurred on these sites so far is as under:

UNIT III : Rs. 2.05 crs.

UNIT IV : Rs.24.67 crs.

At Unit No.III, the construction work is in progress and should be over by March 2013 and the project should be on stream by December 2013.

The management has further taken various decisions in order to augment capacities of the Company keeping in view the targeted markets and the product potentials for many products developed by the Company. As we have already informed to BSE & NSE earlier, the Company has acquired following facilities:



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- 1) Acquisition of Urdhwa Chemical Company Pvt. Ltd., C-4, Lote Parshuram Indl. Area, Taluka Khed, Dist: Ratnagiri, State: Maharashtra., as a wholly owned subsidiary bearing a capacity of 2800 MTs p.a. is already created. This plant is expected to be commissioned shortly.
- 2) Acquisition of M/s.Lasa Laboratory Pvt. Ltd., Plot No.C-105, MIDC, Mahad, State: Maharashtra as a wholly owned subsidiary bearing a capacity of 120 MTs p.a. for production of APIs. This Unit is already operational.
- 3) The Company has acquired property located at Plot No.D-22/5, Lote Parshuram Industrial Area, Taluka Khed, Dist:Ratnagiri admeasuring 40773 sq.mtrs.. The Company has plans to set-up a green field with a capacity of 12960 MT p.a. this project will be implemented in 3 phases and the 1st phase is expected to be completed by July 2013 with a capacity of 6000 MTs p.a. This is designated as Company's Unit No.V.

Thus, in aggregate, the total installed capacity of the Company including the capacities already installed at the wholly owned subsidiaries as of now works out to 4620 MTs per annum.

Kindly further note that, the funding for Urdhwa Chemicals Company Ltd. has been done through a Term Loan by way of ECB from Citibank N.A. The acquisition of Lasa Laboratories Pvt. Ltd. and expenses for acquiring property for our Unit No.V in Chiplun as mentioned above are done entirely through internal accruals. IPO funds are not utilized in any of these expenses.

As of now, we are holding a balance of Rs.12.24 crs. from IPO proceeds which is deposited with Bank of Baroda.

In other words, Company has taken necessary steps not only to fulfill the requirements as mentioned in the prospects for IPO but has also embarked on major expansions for meeting additional capacities required for the targeted markets.

The management of the Company has taken these steps after taking into consideration the market scenario for its products, expanding into new geographies, strengthening its infrastructure, etc. The Company is also open for other suitable and appropriate opportunities for acquisitions.





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The Company, in its Annual General Meeting held on 4th August 2012 has discussed at length the various issues relating to the expansion projects of the Company with the shareholders and the members have passed a Special Resolution authorizing the management to take the necessary steps in this regard including the utilization of IPO proceeds. A copy of this resolution is attached herewith for your reference.

Thanking you,
Yours faithfully,

For **OMKAR SPECIALITY CHEMICALS LTD.**

PRAVIN HERLEKAR
CHAIRMAN & MANAGING DIRECTOR



Encl: As above

CC: Bombay Stock Exchange of India Limited, Mumbai.

Unit - I, W-92(A), M.I.D.C., Badlapur (East), Thane - 421 503, Maharashtra, India. Tel. : +91 (0251) 2698840, Fax : +91 (0251) 2691662

Unit - II, F-24, M.I.D.C., Badlapur (East), Thane - 421 503, Maharashtra, India. Tel. : +91 (0251) 2691852, Fax : +91 (0251) 2697673

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CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE 7th ANNUAL GENERAL MEETING HELD ON SATURDAY, 4TH AUGUST, 2012 AT 10.30 A.M. AT SANJEEVANI HALL, NEAR MONGINIS CAKE SHOP, BADLAPUR (EAST), THANE 421 503.

SPECIAL RESOLUTION

"RESOLVED THAT subject to applicable provisions of the Companies Act, 1956 and such related enactment(s) as applicable, if any, the approval of members be and is hereby accorded for utilization of available funds generated through Initial Public offering (IPO) for growth & expansion of the company including various suitable acquisition(s), if any, in addition to the purposes defined in Prospectus.

"RESOLVED FURTHER THAT the Board be, and is hereby jointly authorized to finalize, settle, execute all the necessary things as may be required in this regard including delegation of authority."

For, OMKAR SPECIALITY CHEMICALS LIMITED

Pravin S. Herlekar
Chairman & Managing Director

