



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

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

Dear Shareholders,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 whereby the Company seeks approval of the Members, for the following businesses:

- 1) Increase in Authorised Capital of the Company from Rs. 25 crores to Rs. 35 crores and the consequent amendment in capital clause of the Memorandum of Association of the Company.
- 2) To authorise the Board of Directors to raise funds through issue of Equity Shares through Qualified Institutions Placement (QIP) of an amount not exceeding Rs. 125 crores.

The proposed resolutions and explanatory statement stating the material facts and the reasons for the proposals are appended below and a postal ballot form is enclosed for your consideration.

The Company has appointed M/s. Nilesh A. Pradhan & Co., Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

Please read carefully the instructions printed on the Postal Ballot Notice and Form and return the form duly completed in all respects in the enclosed self-addressed pre-paid postage envelope so as to reach the Scrutinizer before Saturday, 20th December, 2014. Members may choose to vote using **e-voting facility**, the details whereof are specified under instructions to this notice.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on or before Wednesday, 24th December, 2014 through Notice on the Company's website and press advertisements.

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

“RESOLVED THAT pursuant to section 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013, (“Act”) and subject to such approvals, consents and sanctions, if any, of the concerned Government Authorities/ Statutory Bodies, the existing Authorised Share Capital of the Company of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of Rs.10/- (Rupees Ten Only) each be and is hereby increased to Rs. 35,00,00,000 (Rupees Thirty Five Crores only) divided into 3,50,00,000 (Three Crore Fifty Lakh) Equity Shares of Rs.10/- (Rupees Ten only) each and Clause (V)(a) of the Memorandum of Association of the Company is to be altered and to be read as follows:

Clause (V)(a) of the Memorandum of Association of the Company

“The Authorised Share Capital of the Company is Rs. 35,00,00,000 /- (Rupees Thirty Five Crore only) divided into 3,50,00,000 (Three Crore Fifty Lakh) Equity Shares of Rs.10/- (Rupees Ten only) each.”

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors (which term shall include any duly constituted and authorized committee thereof) of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to the said resolution.”

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

“RESOLVED THAT in supersession of all previous resolution(s) in this regard and in accordance with the provisions of Section 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) as amended from time to time (the “Act”), Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI Regulations”), Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, enabling provisions in the Memorandum and Articles of Association of the Company as also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (“SEBI”), Government of India (“GOI”), Reserve Bank of India (“RBI”) and all other appropriate and/or concerned authorities, or bodies and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (“Board”) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby authorized to offer, issue and allot in one or more tranches, to eligible Investors whether Indian or Foreign, including Foreign Institutions, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds or otherwise, whether shareholders of the Company or not, through an issue of Equity Shares (hereinafter referred to as “Securities”) by way of Qualified Institutions Placement (“QIP”), to Qualified Institutional Buyers (“QIB”) in terms of Chapter VIII of the SEBI Regulations, through one or more placements of Securities, whether by way of private placement or otherwise so that the total amount raised through issue of the Securities shall not exceed Rs. 125 Crores, as the Board may determine, where necessary in consultation with but not limited to the Lead Managers, Underwriters, Financial and/ or Legal Advisors, Rating Agencies;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby also authorised to determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount, listings on one or more stock exchanges in India or abroad as the Board may in its absolute discretion deems fit and to make and accept any modifications in the proposals as may be required by the authorities involved in such issue(s) in India and/ or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s);

RESOLVED FURTHER THAT the QIP issue shall be completed within 12 months from the date of passing of this resolution;

RESOLVED FURTHER THAT for the QIP issue the relevant date for determination of the floor price of the Securities to be issued shall be the date of meeting in which the Board decides to open the proposed issue of Securities under Chapter VIII of the SEBI Regulations;

RESOLVED FURTHER THAT the Board be and is hereby also authorized at its sole discretion to offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations in respect of QIP Issue;

RESOLVED FURTHER THAT the Securities so issued shall rank pari passu with the existing Securities of the Company in all respects;

RESOLVED FURTHER THAT the Securities to be offered and allotted shall be in dematerialized form;

RESOLVED FURTHER THAT the QIP issue shall be structured in a manner such that the additional Securities that may be issued would not be more than 25 % of the fully diluted emerging outstanding paid-up equity share capital of the Company post the QIP issue;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint the Lead Managers, Underwriters, Guarantors, Registrars, Escrow Banks, Bankers, Advisors and all such Agencies and Intermediaries as may be involved or concerned in such offerings of the Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc. with them and to seek the listing of such Securities;

RESOLVED FURTHER THAT the Company do apply for listing of the new Securities as may be issued with the BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange(s);

RESOLVED FURTHER THAT the Company do apply to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the Securities;

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities the Board, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit."

**By order of the Board of Directors
For OMKAR SPECIALITY CHEMICALS LTD**

Date: 13-11-2014
Place: Mumbai

**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 Notice is being sent to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 14th November, 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.
3. 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 address of Registrar & Share Transfer Agent of the Company, Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400072.

EXPLANATORY STATEMENT

(Pursuant to the provisions of section 102 of the Companies Act, 2013)

Item No. 1

In order to augment the long-term funds through further issuance of Equity Shares to strengthen the capital structure of the Company, it is necessary to increase the existing Authorised Equity Share Capital and is consequently required to amend the Clause (V)(a) of the Memorandum of Association in the manner specified in resolution at item No. 1

The Board of Directors recommends the resolution for approval of members of the Company at item No.1 as a special resolution.

None of the Directors, any other Key Managerial Person(s) of the Company and their relatives are, in any way, concerned or interested in the said resolution.

Item No.2

The Board of Directors is of the opinion that the Company requires additional funds to meet with the needs of growing business, in addition to the funds raised internally and through debt from banks and financial institutions. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of Securities as defined in the resolution from the capital markets.

Section 62(1)(c) of the Companies Act, 2013 ("Act") provides that, inter-alia, such further Securities may be offered to any persons whether or not such persons are existing holders of Equity Shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company in General Meeting. Further, as per Regulation 81 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulation") it is necessary to obtain approval of Shareholders through Special Resolution for issuing Securities through Qualified Institutions Placement ("QIP"). Accordingly, consent of the Shareholders is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act, SEBI Regulation and Listing Agreement and such other approvals as may be necessary to issue and allot Securities as stated in the Special Resolution.

The QIP Issue will be structured in a manner such that the additional securities that may be issued would not be more than 25% of the fully diluted emerging outstanding paid-up equity share capital of the Company post the QIP Issue. The securities issued pursuant to the QIP Issue shall rank pari passu in all respects with the existing securities of the Company.

These Securities will be allotted only to Qualified Institutional Buyers (QIBs) as per the SEBI Regulations and there will be no issue to retail individual investors and existing retail shareholders. The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the securities will be decided by the Board based on an analysis of the specific requirements after consulting all concerned. Therefore the proposal seeks to confer upon the Board the absolute discretion to determine the terms of issue in consultation with the Lead Managers to the Issue.

As per Chapter VIII of the SEBI Regulations, an issue of securities on QIP basis shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the "relevant date". The Board may, at its absolute discretion, issue Equity Shares at a discount of not more than 5 percent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the SEBI Regulations, subject to Section 53 of the Act.

As the pricing of the offer cannot be decided except at a later stage, it is not possible to state the price of shares to be issued. However, the same would be in accordance with the provisions of the SEBI Regulations, the Companies Act, 2013, or any other guidelines/regulations/consents as may be applicable or required.

The Stock Exchange for the pricing purpose is the BSE Limited/National Stock Exchange of India Limited.

The above mentioned special resolution has a validity period of 12 months before which allotments under the authority of said resolution should be completed.

The Special Resolution also seeks to give the Board the powers to issue securities in one or more tranche or tranches, at such time or times, at such price or prices and to such QIB as the Board/Committee of the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

As and when the Board / Committee of the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Listing Agreement.

In connection with the proposed issue of Securities, the Company is required, inter alia, to prepare various documentations and execute various agreements. Accordingly, it is proposed to authorize the Board/committee of the Board (including certain officers of the Company) to negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

The Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot securities to the Investors, who may or may not be the existing shareholders of the Company.

The Directors recommend this Resolution at Item No.2 of the accompanying Notice for the approval of the Shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 01.00 pm on all working days except Sundays, up to and including the last date for submitting the postal ballot.

Date: 13-11-2014
Place: Mumbai

**By order of the Board of Directors
For OMKAR SPECIALITY CHEMICALS LTD**

**Nirav Momaya
Company Secretary**

INSTRUCTIONS FOR VOTING

Voting through Physical Postal Ballot Form

- 1) The Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, before Saturday, 20th December, 2014, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
- 2) The Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
- 3) Envelopes containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Members will also be accepted.
- 4) The Postal Ballot 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, the Postal Ballot 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.
- 5) 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.
- 6) 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.
- 7) 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.
- 8) Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.

E-Voting Facility

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 Thursday, 20th November, 2014 (9:00 AM IST) and ends on Saturday, 20th December, 2014 (6:00 PM IST).

Process and Manner for members opting for e-voting is as under:-

- (A) In case of Members receiving e-mail from NSDL:
 - (i) Open e-mail and also open PDF file with your client ID or Folio No. as password containing your user ID and Password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder-Login.
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - (v) If you are logging in for the first time, please enter the user ID and Password as initial password noted in step (i) above. Click Login.
 - (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vii) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - (viii) Select "EVEN" (E-Voting Event Number) of Omkar Speciality Chemicals Limited for Postal Ballot.
 - (ix) Now you are ready for e-voting as Cast Vote page opens.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xii) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - (xiii) 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
- (B) In case of Members receiving Postal Ballot Form by Post:
 - (i) Initial password is provided at the bottom of the Postal Ballot Form.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) as mentioned in (A) above, to cast vote.
- (C) If you have already registered with NSDL for e-voting then you can use your existing User ID and Password for casting your vote.
- (D) In case of any queries, you may refer the Frequently Asked Questions (FAQ's) for Shareholders and e-Voting User Manual for Shareholders, available at the downloads section of www.evoting.nsdl.com.

General

- 1) The Scrutinizer will submit the report to the Chairman after completion of the scrutiny and the results of the Postal Ballot will be announced on or before Wednesday, 24th December, 2014 at the Registered Office of the Company. The results of the Postal Ballot will be hosted on the Company's website at www.omkarchemicals.com for information of the Members, besides being communicated to the stock exchanges on which the shares of the Company are listed.
The date of declaration of the Postal Ballot results will be taken as the date of passing the Resolutions.
- 2) Members can opt for only one mode of voting i.e either by physical ballot or by electronic mode. In case, any member casts vote through physical ballot as well as electronic mode, then voting done through e-voting shall prevail and voting done by Postal Ballot will be treated as invalid.
- 3) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.