

INVESTOR PRESENTATION

Q3FY2019



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BUSINESS CONTOUR

- Omkar Speciality Chemicals Limited (OSCL) is a vertically integrated group spanning the entire speciality chemicals and pharma value chain, with established credentials in complex chemistry, research & development, manufacturing and global marketing
- Pioneer and leader in niche molecules since over last 37 years
- Managed by a dynamic management team and consortium of technocrats with well rounded experience spanning over four decades
- Global footprint across 40 countries, with a customer base of over 1,000
- Diverse mix of over 100 products that meet the demand of potential new and existing customers
- Five vertically integrated manufacturing base located at Badlapur, Thane District, Maharashtra.
- Seven 'process patents', and six more in the pipeline
- Multipurpose manufacturing facility, with significant backward integration linkages that provides flexibility to change the product mix, and cater to the growing market needs
- FDA, ISO, FAMI-QS, Halal, and Kosher compliant multi-purpose manufacturing facilities
- GMP compliant facility manufacturing Selenium Sulphide (USP)

SALES GEOGRAPHY (Q3FY19)

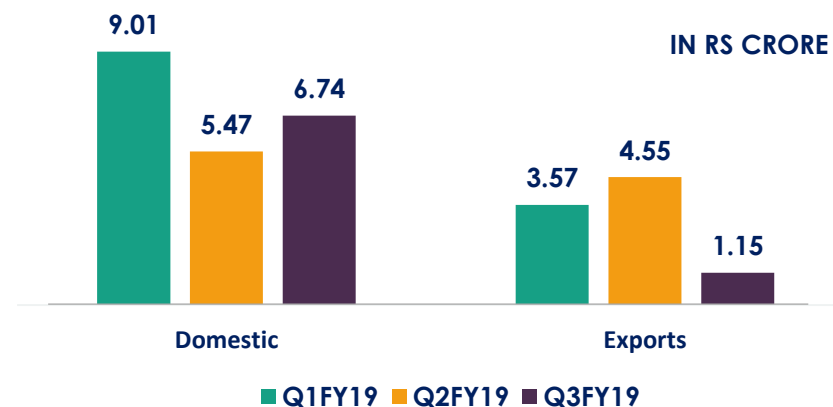


■ DOMESTIC 85.40 % ■ EXPORTS 14.60 %

(9MFY19) SALES BREAK UP



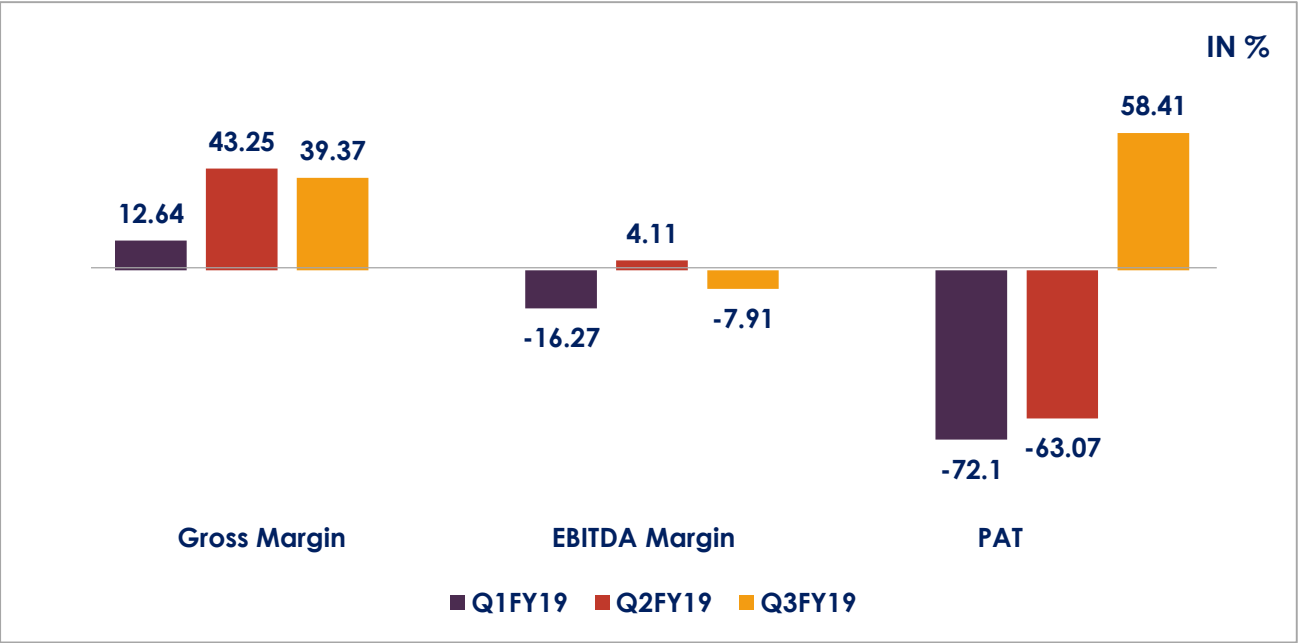
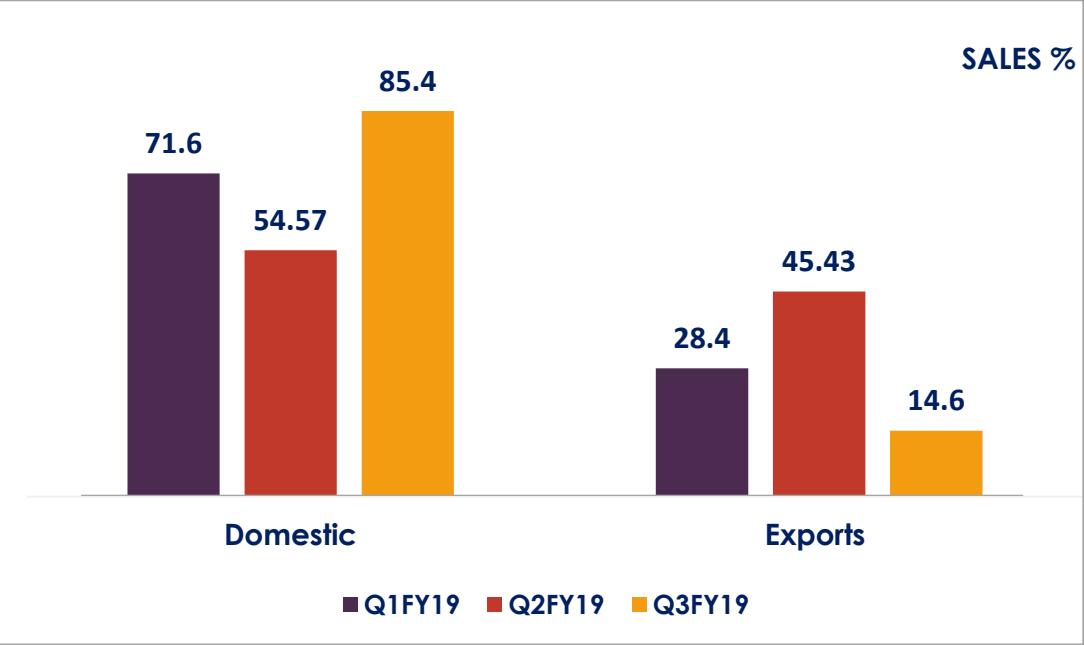
NET SALES





KEY P&L RATIOS

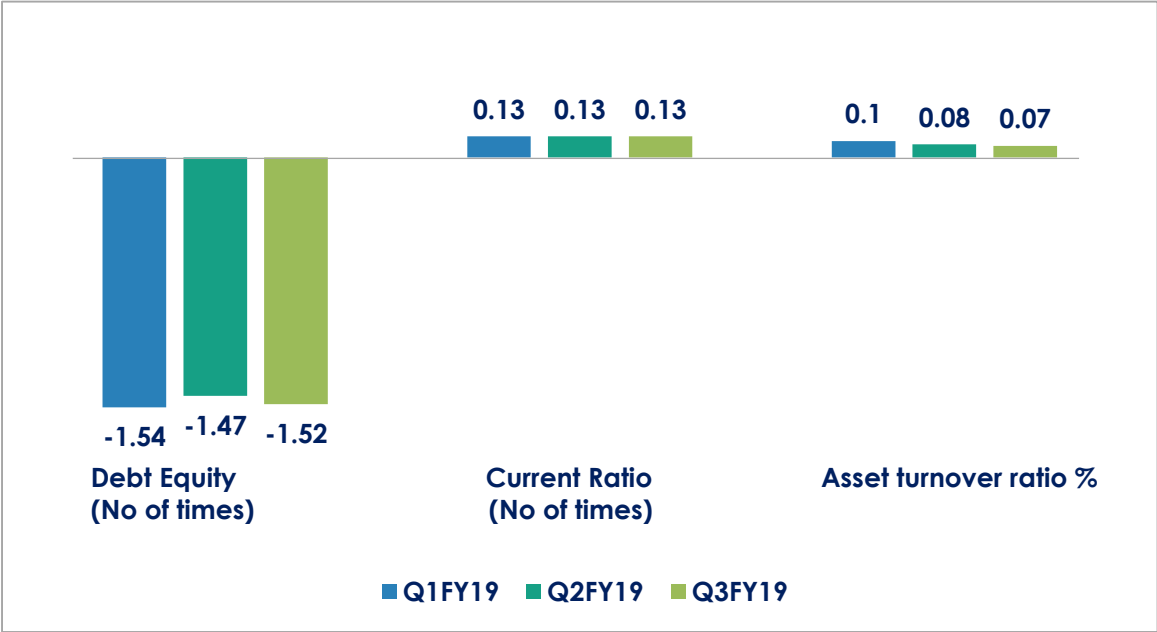
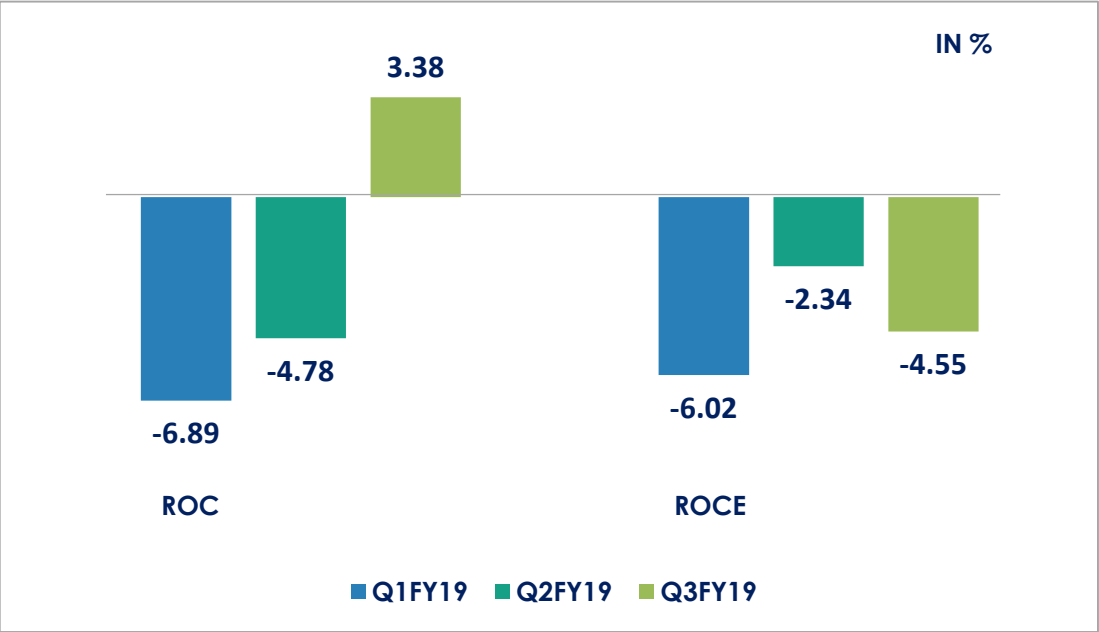
9MFY19 BREAK UP





KEY P&L RATIOS

9MFY19 BREAK UP





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PHARMA

OUR PRODUCTS ARE USED FOR APPLICATIONS SUCH AS **ANTI-DIABETIC, ONCOLOGY, ANTI-INFECTIVES, CARDIOVASCULAR** AND VARIOUS LIFE SAVING MEDICINES

FEED AND NUTRITION

THE PRODUCTS IN THIS SEGMENT ARE USED AS **VITAL MICRONUTRIENT COMPONENTS OF ANIMAL FEED, ESSENTIAL INGREDIENTS IN SALT MANUFACTURING**

INDUSTRIAL & SPECIALITY CHEMICALS

OUR PRODUCTS ARE USED IN VARIOUS INDUSTRIAL APPLICATIONS, SUCH AS **GLASS, PIGMENTS, INDUSTRIAL CATALYSIS, COATINGS, ELECTROPLATING AND METAL FINISHING, ETC**

COSMECEUTICALS

OUR PRODUCTS ARE USED AS IMPORTANT COMPONENT IN SHAMPOOS AND COSMETIC FORMULATIONS

FLAVOURS & FRAGRANCE

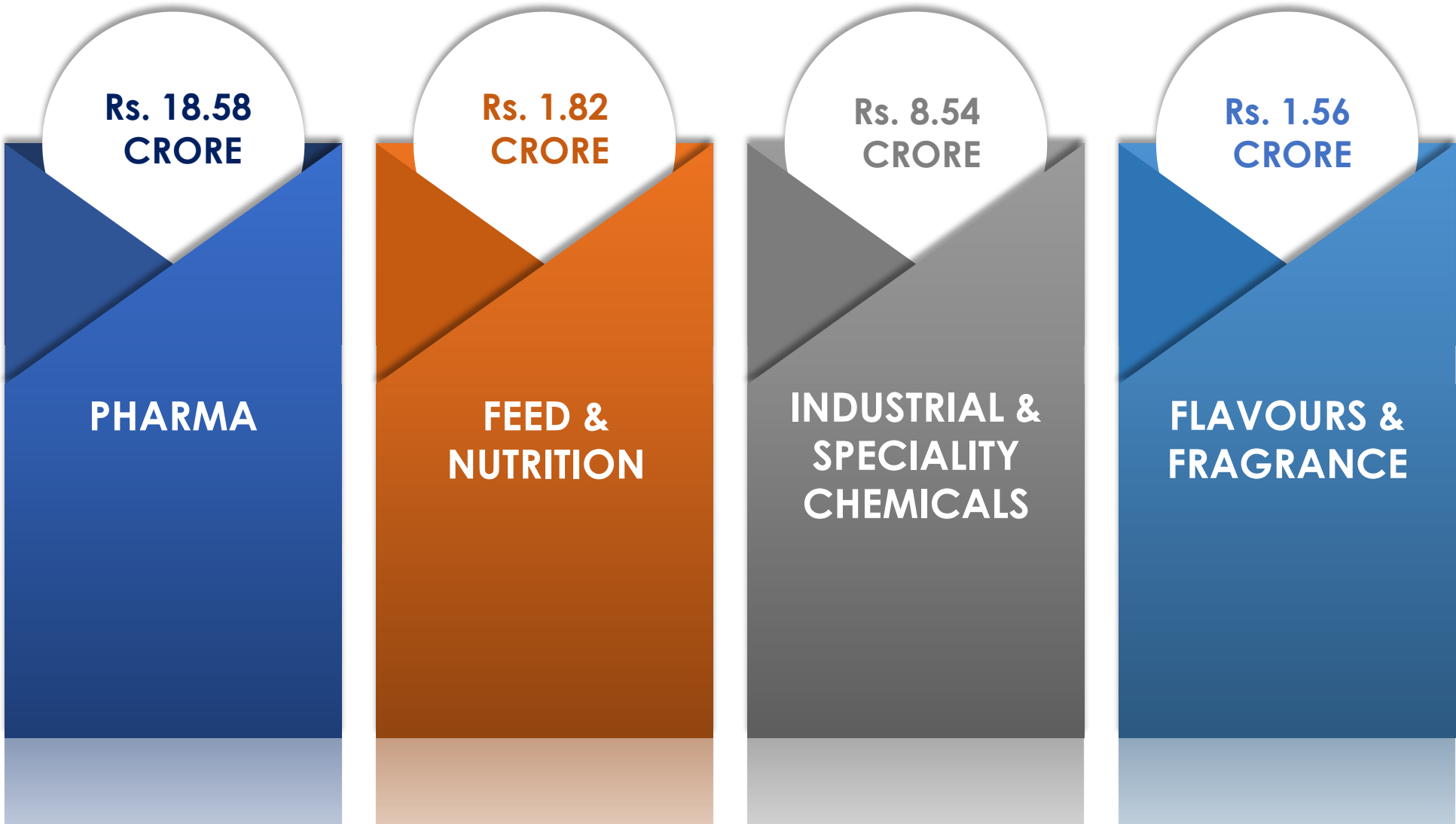
OUR PRODUCTS ARE USED AS **FRAGRANCE ADHESIVES AND VARIOUS COMPONENTS OF FRAGRANCE INGREDIENTS IN AROMA BLENDING**



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BUSINESS SEGMENT WISE REVENUE

9MFY19 BREAK UP

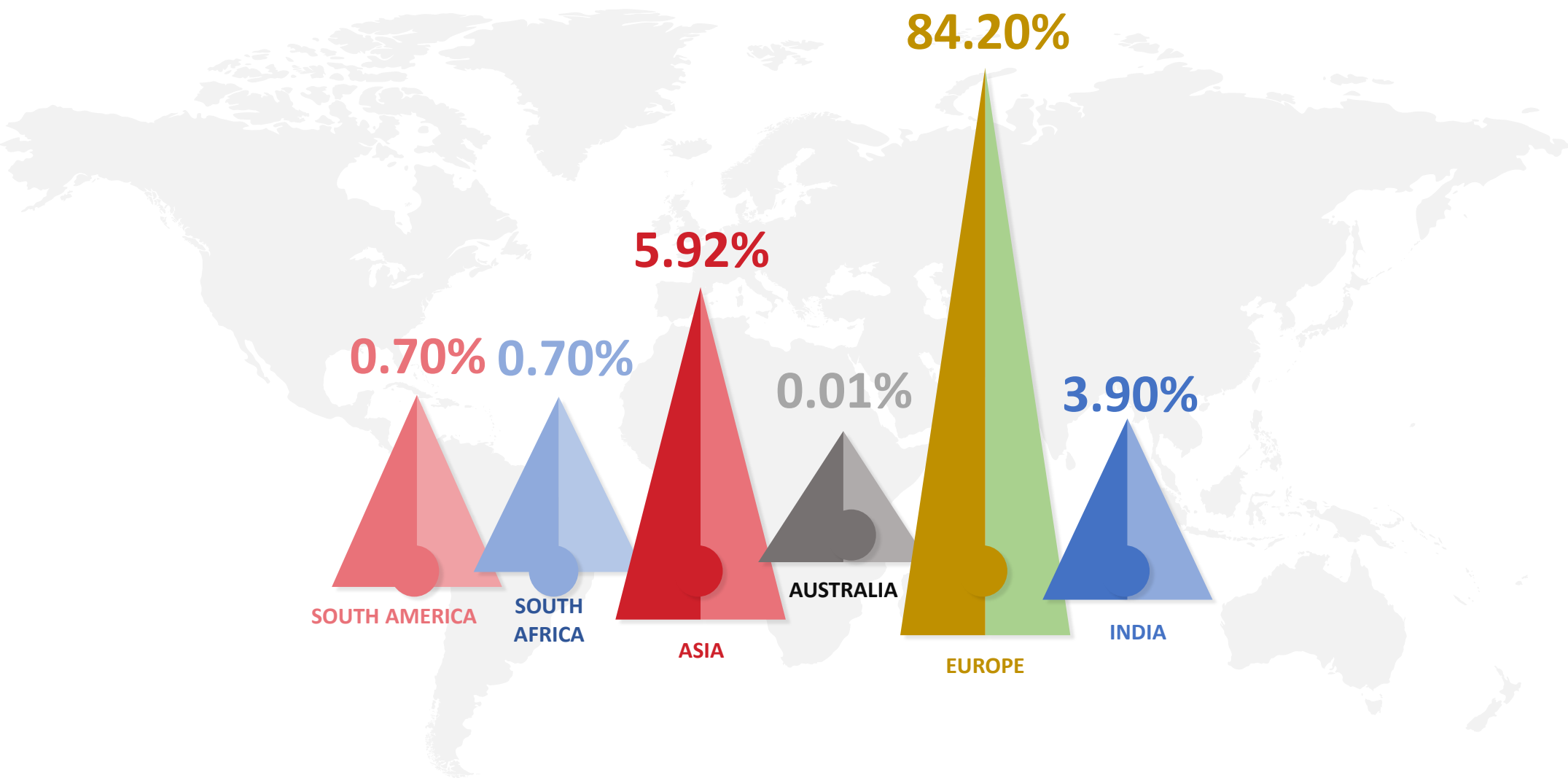




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INTERNATIONAL SALES QUOTIENT

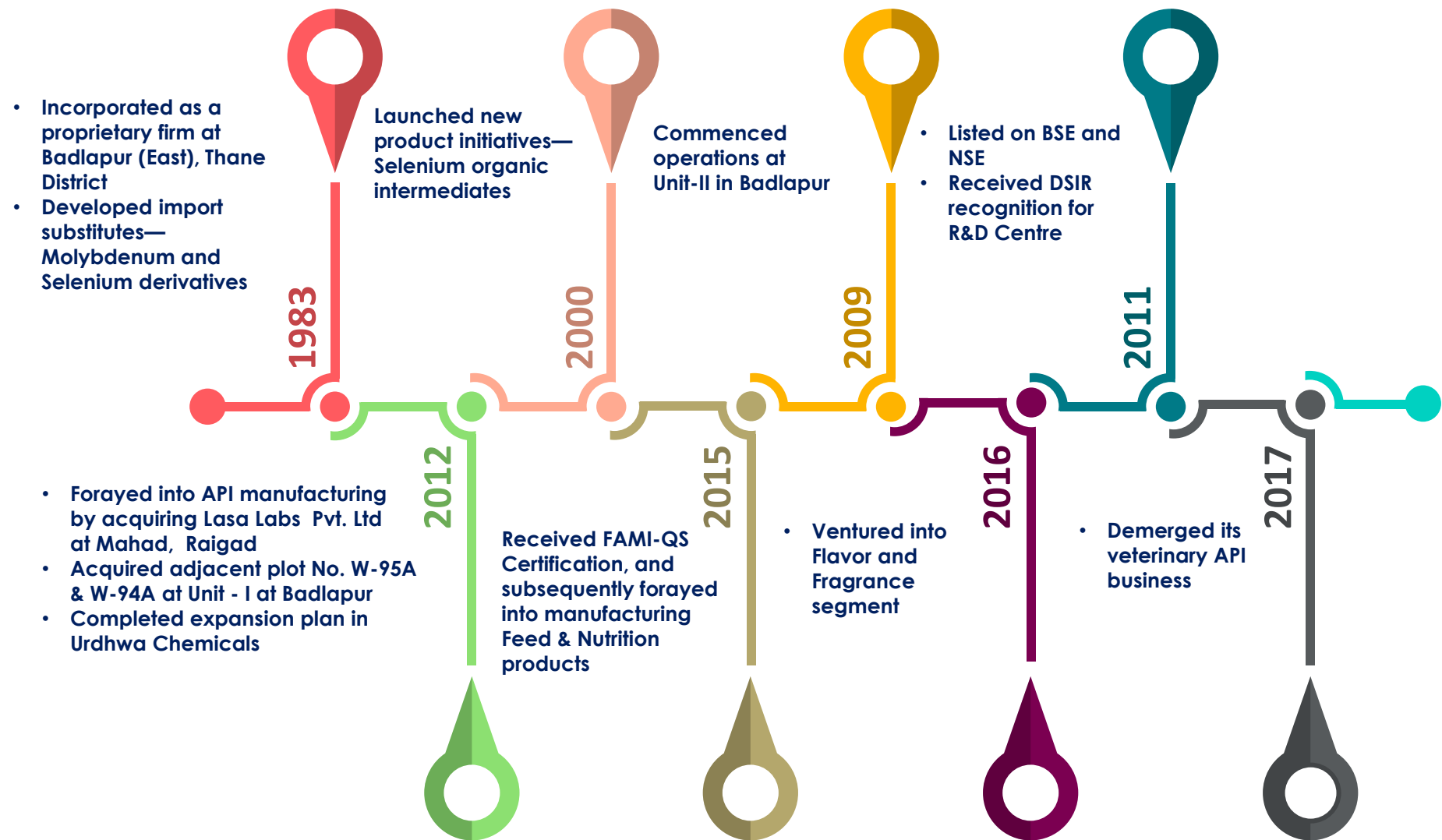
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CORPORATE MILESTONES



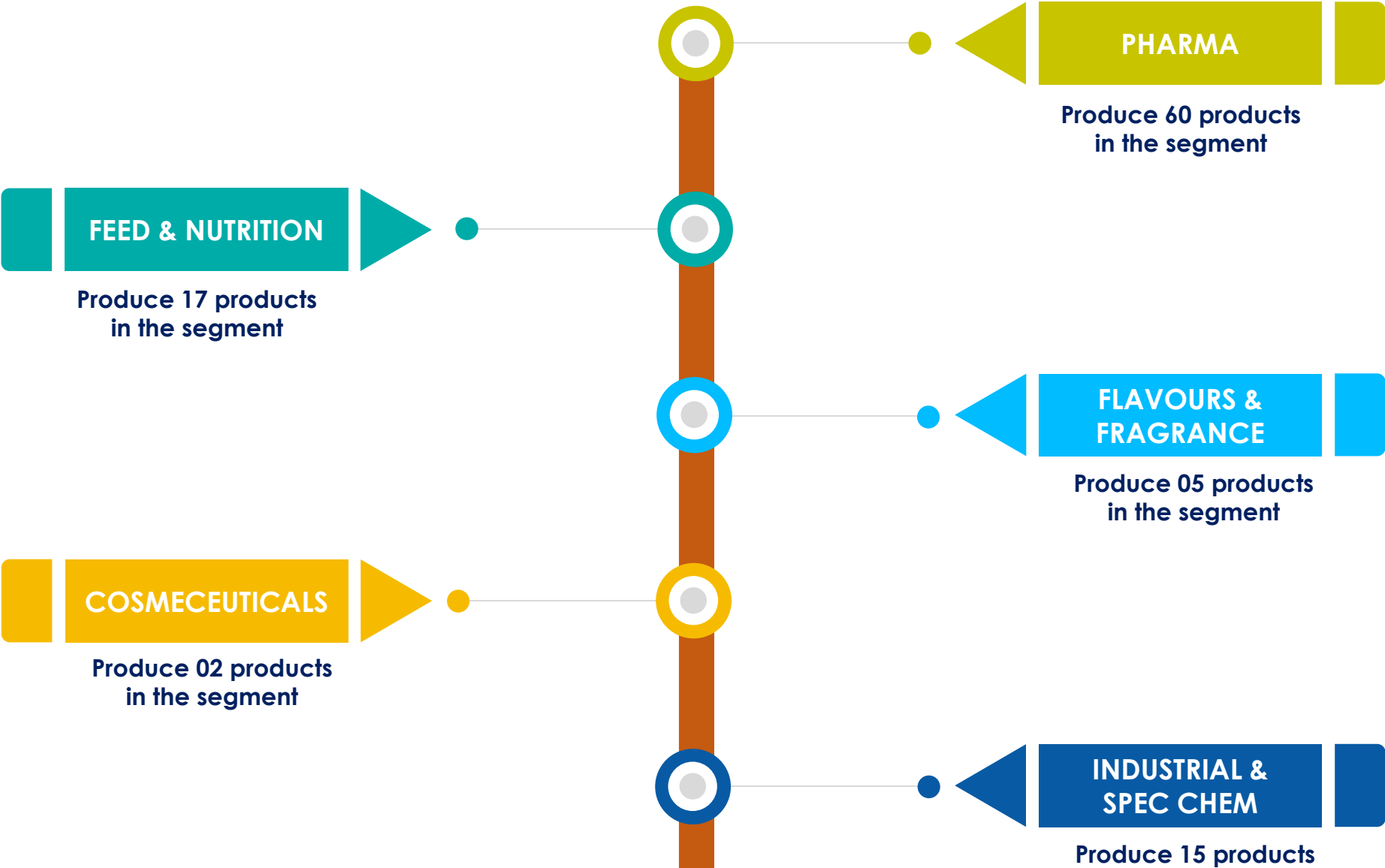
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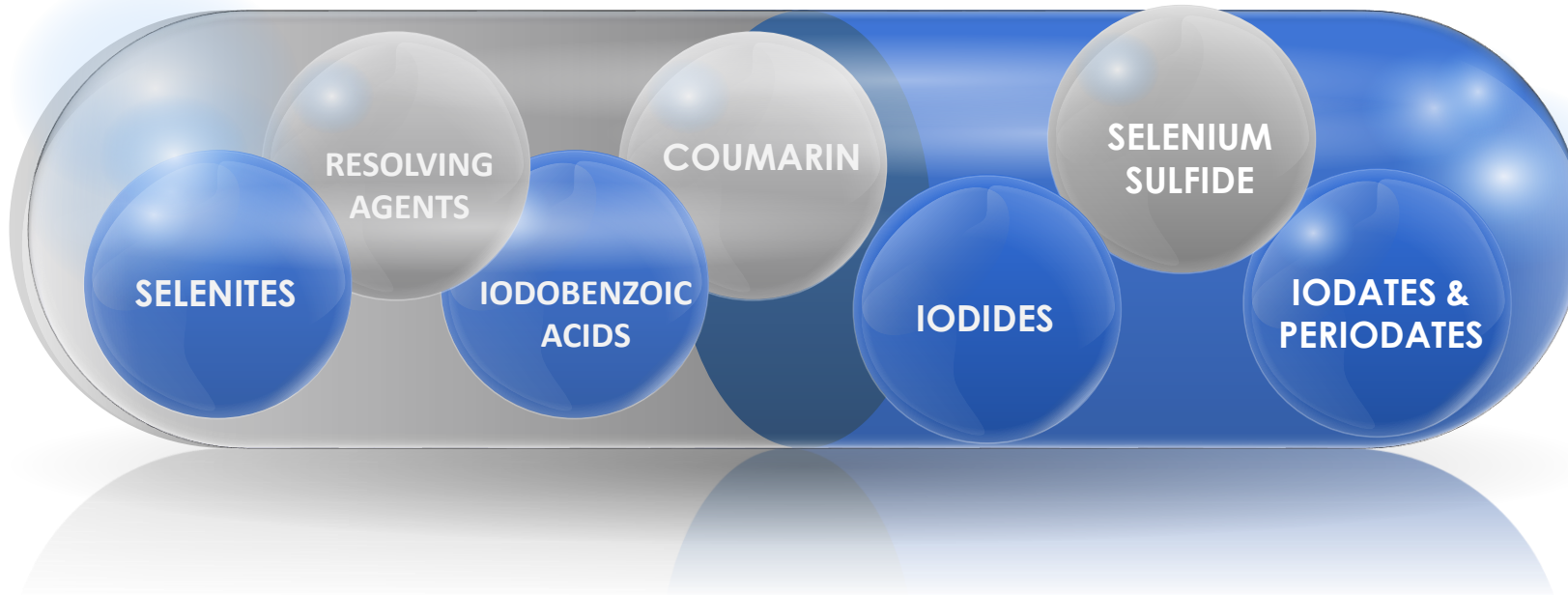


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KEY PRODUCT SEGMENTS



TOP SEVEN PRODUCTS CONTRIBUTE TO OUR GROUP'S TOP-LINE





- Globally, the chemical industry sales stood at \$4.3 trillion in FY15, of which specialty chemicals including agrochemicals recorded sales of \$829 billion, which is 20% of the global chemical industry sales. Industry estimates indicate that the chemical industry is poised to record a growth of CAGR 5.4% to reach \$5.6 trillion by end of FY20, while specialty chemicals could grow at 8% CAGR to reach \$1.1 trillion by end of FY20
- Growth drivers for the Indian specialty chemicals industry is due to domestic availability of raw material at competitive prices, strong demand growth in the consumer industry; and a domestic industry that supports 'premiumization' of products, competitive cost of manufacturing, investment in R&D, and an ecosystem to support niche innovations
- Indian specialty chemicals industry stands at \$28 billion, accounting for 3.4% of the global specialty chemicals industry, and 20% of the Indian chemical industry in FY15. The industry reported annual growth of 14% during FY10-FY15, which implies that growth in specialty chemicals was stronger than the overall chemicals industry
- Although India's specialty chemicals industry's growth rate was only marginally better than China's over FY10-FY15, over the next 5 years (FY15-FY20), India (CAGR 13%) is slated to grow over 2x compared to China's (CAGR 7%). The slowdown in China's specialty chemicals industry is mainly attributed to its transition phase, and a shift to the production of personal goods/services against industrial goods
- Detailed analysis of India specialty companies indicates a growth of 17% CAGR in R&D spends compared to 11%/7% by USA/Europe during FY11-FY16. Gradually, Indian companies are increasing R&D spends as they are focusing on CRAMS and new product development

COURTESY: Mckinsey & JM Financial Institutional Securities Limited



DIVERSE PRODUCT MIX

Diverse mix of over 100 niche products, which cater to a wide spectrum of applications, including pharma, glass and ceramics, fragrance & flavours, feed & nutrition, catalysis, etc

SUSTAINED GROWTH

Our operational efficiency and profitability with steady improvement in our sales due to backward integration has led to enduring growth over last eight years

GROWTH AVENUES

Continue to explore strategic business expansion and steady growth through organic and inorganic opportunities as levers for growth



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ROBUST BUSINESS MODEL

ALIGNING INNOVATION.. ACCELERATING GROWTH

COST ADVANTAGE

- Lean production cost has mitigated pressure on margins
- Improved technology and backward integration has led to cost savings, thereby making OSCL more competitive and less susceptible to competitors

R&D TO FULL SCALE

- We have fully backward-integrated our manufacturing processes —from gram to full-scale bulk production
- Greater long-term cost efficiencies and quality control

INPUT



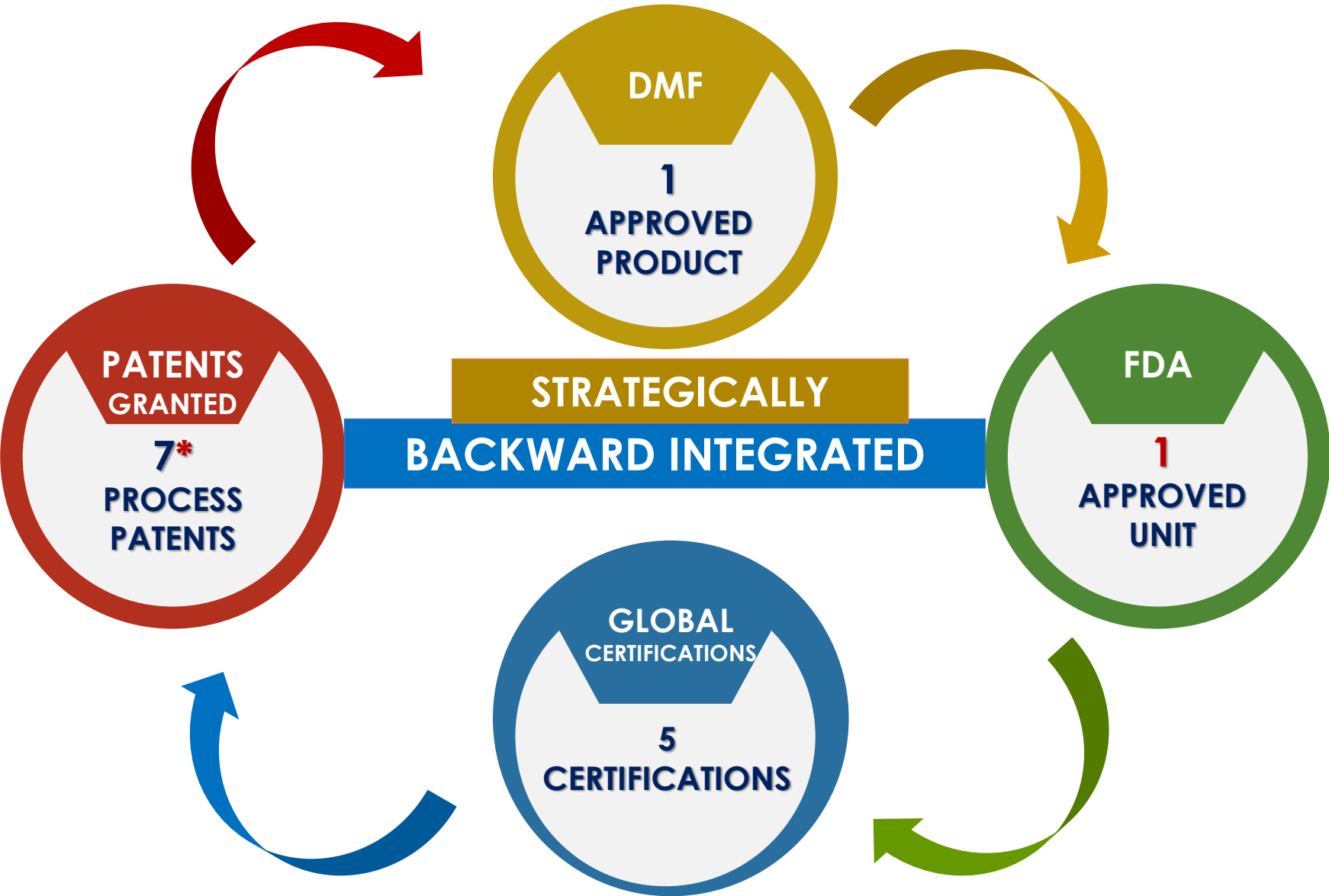
IMPROVED
EBITDA MARGINS

QUALITY MANAGEMENT

- Efficient Quality Control systems monitored by independent quality assurance team
- Compliance to global EHS and regulatory standards

FLEXIBILITY

- Multi-purpose facilities, tailored-made products, broad product base and diversified segments offer us the edge over our peers





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PROCESS PATENTS GRANTED

5-iodo-2-methylbenzoic acid

It finds application in New-Gen Anti-Diabetic drug (type-2 diabetes, subtype-2 sodium-glucose transport (SGLT-2) inhibitors class).

BENZENESELENINIC ANHYDRIDE

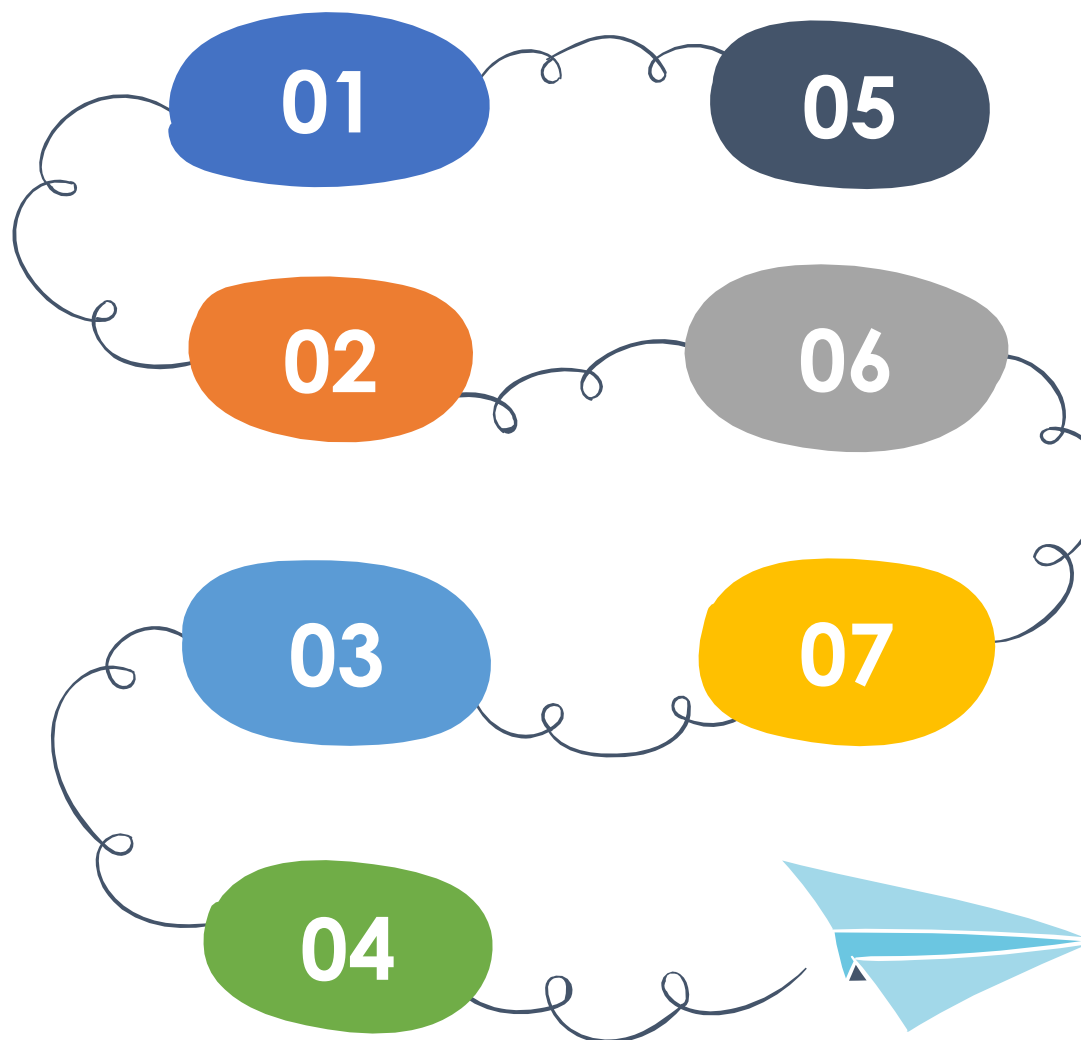
It finds application in medication used mainly to treat an enlarged prostate or scalp hair loss in men. It can also be used to treat excessive hair growth in women and as a part of hormone therapy for transgender women.

2-HYDROXY-3, 5 DIODOBENZOIC ACID

It finds application in deworming of cattle and human. It's Commonly used in ruminant animals to treat adult liver flukes of the species *Fasciola hepatica* and *Fasciola gigantica*.

METHYL ISOBUTYRYL ACCTATE

The product finds application in Anti-cholesterol medication used for treatment of dyslipidemia and the prevention of cardiovascular disease.



TERMINAL DIHALOALKANE

It finds application in Anti-Diabetic medication (oral hypoglycemic of the dipeptidyl peptidase-4 inhibitor class).

ALKALI METAL IODIDE (POTASSIUM AND SODIUM IODIDE)

The product has a gross margin of 26%. It finds application as reagents in chemical synthesis.

'HALQUINOL

The product finds application as antimicrobial used as a feed additive for poultry and as a pig growth promotant.

PATENTS UNDER GRANT PROCESS*

Additional 'SEVEN' process patents are currently under grant process.



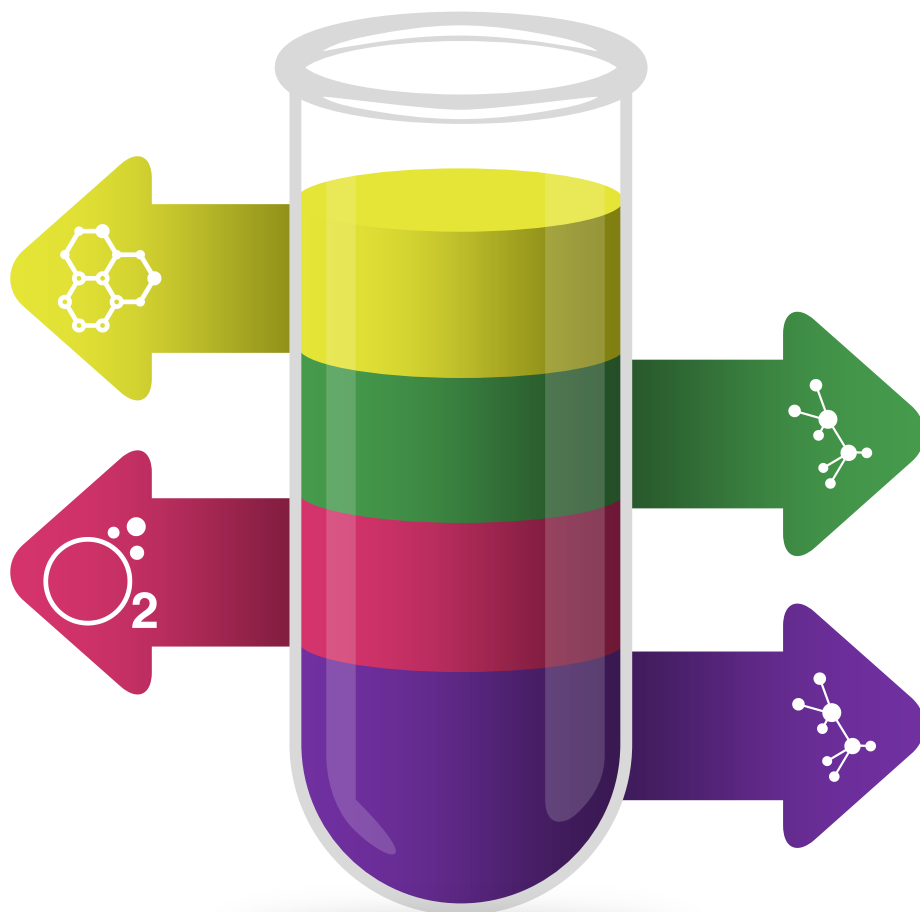
ROBUST R&D

Strong R&D back up leading to IPR



CATALYSTS

Proprietary catalysts which helps in improving yields and mitigates raw material waste



REGULATORY APPROVALS

Have qualified and experienced regulatory professionals to ensure necessary documentation, licensing and legal compliances before the products are manufactured



CUSTOMER AUDIT

Frequent audits conducted by top-notch domestic and global customers



R&D Center based in Badlapur is approved by DSIR



Innovative processes for new products has led to pioneering status for several of our products

Contributes to cost reduction with the use of catalysts, backward integration and consistent improvement in processes



Quality management by way of reduction of impurity levels

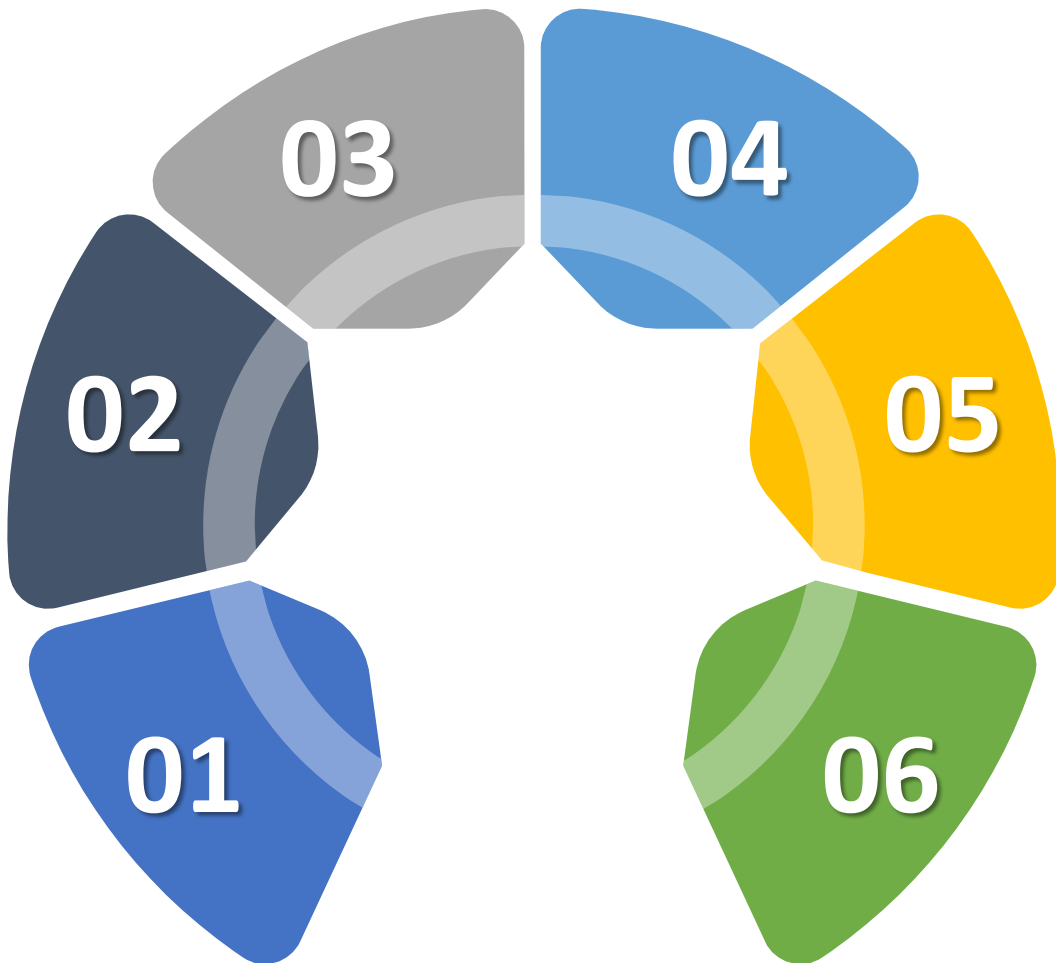
Proven capabilities to develop tailor-made products for various clients



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PROSPECTS FOR GROWTH

CONTRACT RESEARCH & MANUFACTURING SERVICES (CRAMS)



SKILL SETS

OSCL has in place advanced technologies, skills, established expertise and facilities to manufacture at full scale. Also have strong ties with the raw material suppliers and have incorporated various efficiency methods to manufacture at the lowest possible operational cost.

COST-EFFECTIVENESS

OSCL has the proven expertise and infrastructure to produce products at much competitive price, which can save on labour costs including wages, training and fringe benefits through contract manufacturing.

UNIQUE OFFERINGS

OSCL offers unique benefit such as availability of compliant facilities, licences and development of products as per the market requirements.

CAPABILITIES

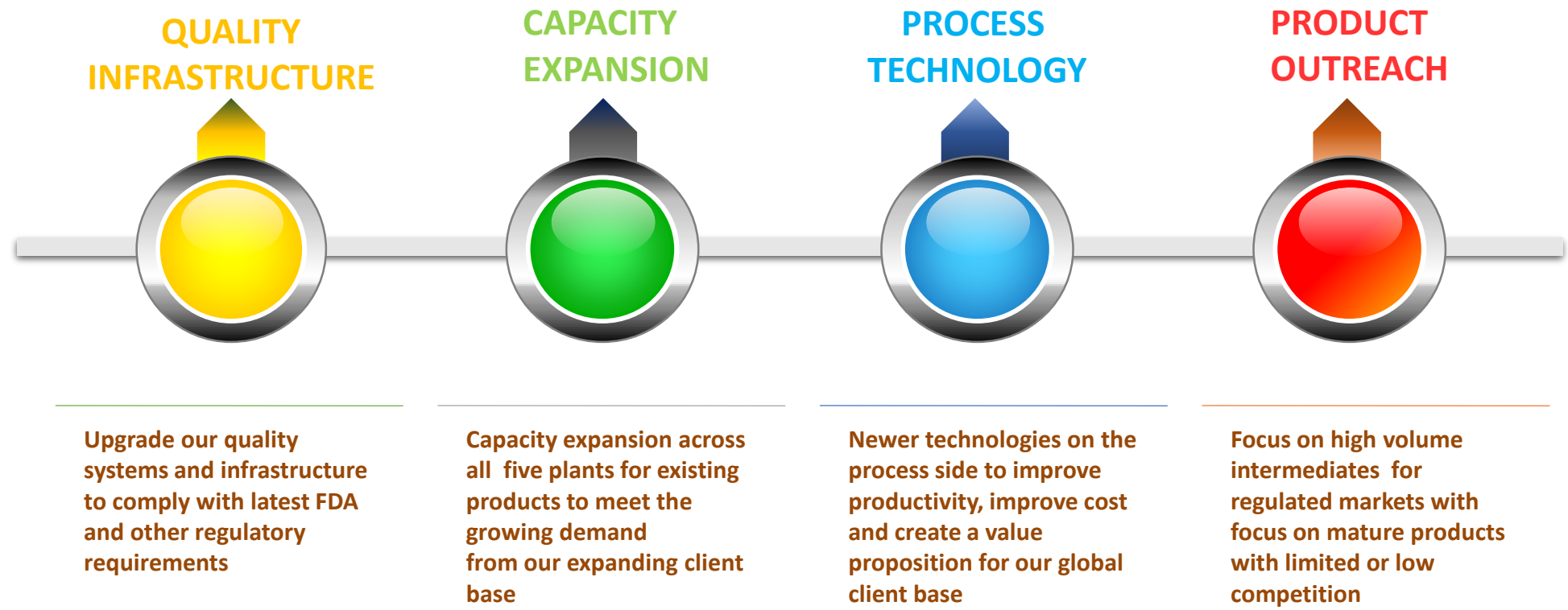
OSCL has the ability to assist customers with blending and mixing chemicals, liquid blending with jacketed tanks, dry powder blending, solids blending, large or small production runs, and pilot batching.

QUALITY ASSURANCE

OSCL has pre-established quality checks in place that have been refined over the years, and have been manufacturing in compliance with various standards used in different countries and have specific systems in place to control the quality of the end product.

THE BOTTOM LINE

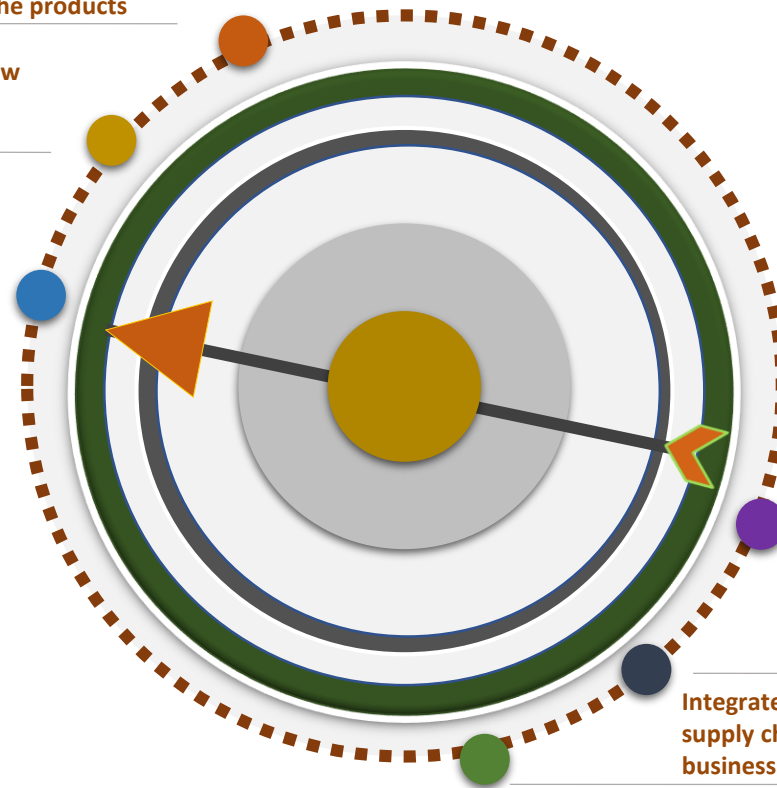
OSCL has an edge over other third-party manufacturing companies as the company has state-of-the-art DSIR approved R&D center with a strong client base.



Our market knowledge, regulatory expertise, strong reputation and management experience helped us identify niche products

Our skilled R&D and regulatory teams develop new products to meet customers' need, and achieve international approvals and registrations

Strong emphasis on manufacturing that plays an integral part in the development of intermediates—keeping highest standards of quality



Our supply chain aims to provide the best service possible to our customers through effective supplier partnerships and integrated planning between the manufacturing and commercial team

Experienced sales and marketing across the globe to market our products directly and indirectly through export partners

Integrated approach of development, manufacturing, supply chain, sales and marketing creates value for our business and customers



STRONG PRODUCT DEVELOPMENT & FILING CAPABILITIES

- Filing intensity ramping up with a focus on complex products; over 10 developments target
- Products with market potential over Rs 1,000 crore
- Niche intermediates portfolio with continuous R&D underway
- 20+ niche intermediates under development
- Track record of successful development for partners

VIBRANT MARKET PLATFORM IMPECCABLE MANUFACTURING CAPABILITY

- Recognized leadership position in India witnessing a strong growth trend
- Leverage front-end presence in 15+ globally diversified markets—with leadership position in many products

- Four WHO-GMP accredited plants having manufacturing scale across a plethora of niche intermediates
- Best-in-class quality record with successful audit history with FDA and over the past four years

UNMATCHED INNOVATION

- Our innovation is backed by strong chemistry and the knowledge bank created over the years.
- We have harnessed our strength with a strong R&D team, modern R&D facilities and command over catalyst chemistry

COUNTRY	COUMARIN	IODOBENZOIC ACID	SELENIUM SULFIDE	SELENITES	SELENATES	IODIDES	IODATES	PERIODATES	ADVANCE PHARMA INTERMEDIATES	RESOLVING AGENTS	BISMUTH,MOLYBDENUM PRODUCTS
AUSTRALIA & NEW ZEALAND			●	●	●	●	●				●
ASIA PACIFIC	●	●	●	●	●	●	●	●	●	●	●
CENTRAL EUROPE	●	●	●	●	●	●	●	●	●	●	●
RUSSIA & CIS			●			●	●				●
NORTH AMERICA	●	●	●	●	●	●	●	●	●	●	●
LATIN AMERICA	●		●		●	●					●
SOUTH AMERICA	●		●	●	●	●	●	●	●	●	●
MENA	●		●	●		●	●	●	●		●
AFRICA			●	●		●	●	●			●



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BOARD OF DIRECTORS



PRAVIN H. HERLEKAR
CHAIRMAN &
MANAGING DIRECTOR

He is a B-Tech Chemical Engineer from IIT-(Bom) and a Post Graduate in Business Management. He has an overall experience of 40-years in the niche chemistry genre, including product development, marketing, finance and administration.



RISHIKESH P. HERLEKAR
WHOLE TIME DIRECTOR

He is a B.E. (Chemicals) and pursuing M. Tech in Pharmaceuticals Sciences. He manages business development, production, quality assurance and various regulatory matters of the group, Besides, he is responsible to identify and target new areas of business, including new products and new customers, expand exports in various continents and maintain customer relationship.



VIKAS N. TILVEKAR
INDEPENDENT DIRECTOR

He is a Master of Science (Technology) and Doctor of Philosophy (Technology) in Pharmaceutical and Fine Chemicals UDCT, Mumbai. Since 2003, he is associated with The Institute of Chemical Technology, Department of Pharmaceutical Science and Technology as a permanent faculty .



SITENDU K. SHARMA
INDEPENDENT DIRECTOR

He is an Independent Director of the group. With over 27-years of experience in the area of finance, tax planning and service tax, he is also a practicing Chartered Accountant based in Mumbai.



LAKSHMIKANT R. KABRA
NON EXECUTIVE DIRECTOR &
NON INDEPENDENT DIRECTOR

He is a Chartered Accountant with over 20 years of experience comprising Income Tax, company law, banking, finance, statutory audit, internal audit, concurrent audit, special task audit, tax audit, bank audit, financial institutions audit, designing and developing internal control systems.



PRAKASH RAO
EXECUTIVE DIRECTOR

He started his carrier in Administration Department in the early 80's and worked with various textile mills and later on became General Manager. He has over 20 years of experience comprising HR, administration, public relations and safety. In 2005, he was honoured by DISH for his contribution towards Safety in the Industrial belt.



SANJIVANI S. PATHARE
INDEPENDENT DIRECTOR

She is Commerce & Law graduate from University of Pune. She is practicing Advocate and legal advisor for last 20 years. She has been associated / working as Advocate for certain commercial banks, other cooperative banks and financial institutions.



BHAVNA SHEWAKRMANI
INDEPENDENT DIRECTOR

She is a commerce graduate and Fellow member of The Institute of Company Secretaries of India. She is also a law graduate from Mumbai University and She is actively involved in company law, FEMA and secretarial affairs.





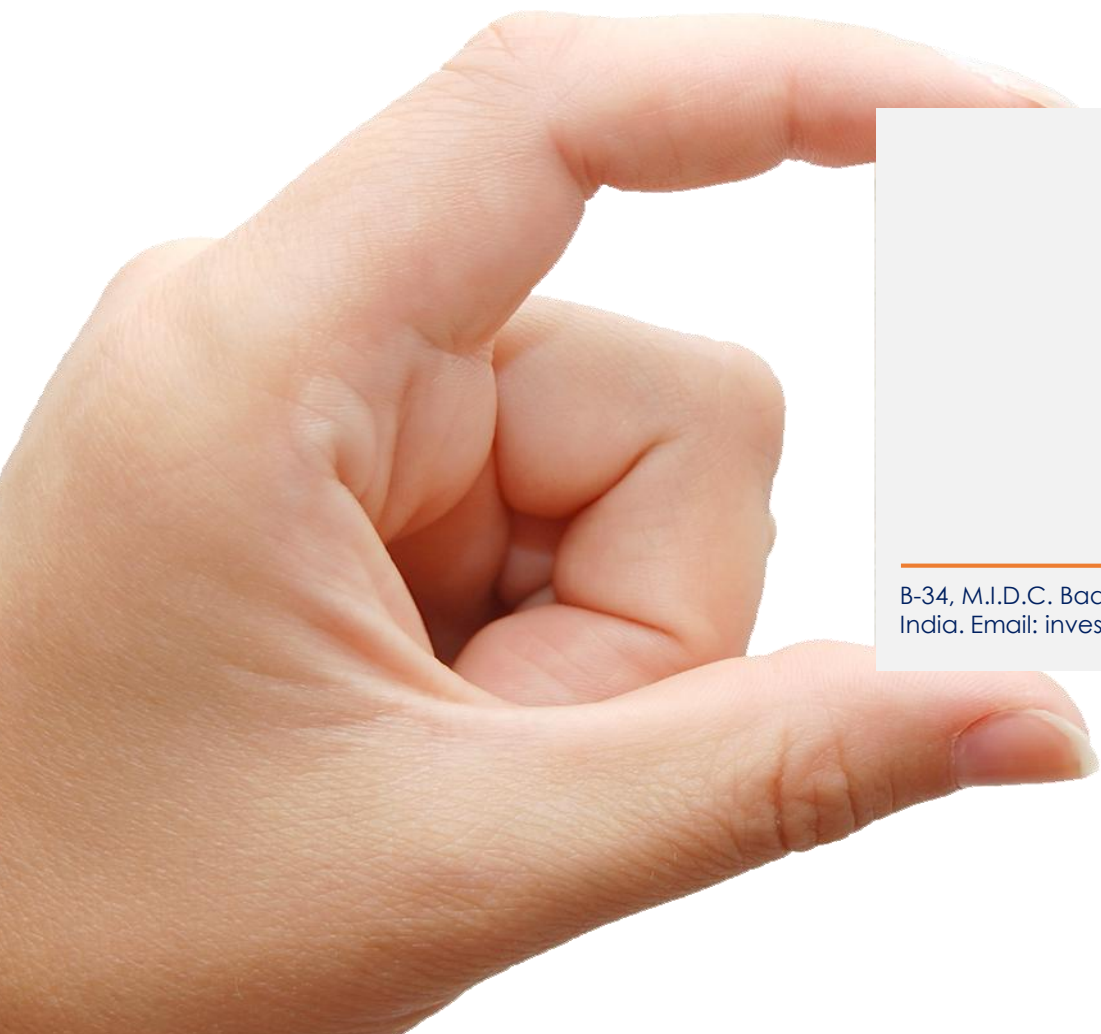
HANK



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VIDYUT KUMAR TA
HEAD-INVESTOR RELATIONS

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QUESTIONS ?

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