



MEGHMANI ORGANICS LIMITED

(Incorporated as a limited liability company in India)

CORPORATE OFFICE: "MEGHMANI HOUSE", SHREE NIVAS SOCIETY, PALDI, AHMEDABAD-380 007. (INDIA)
PHONE: +91-79-26640668. FAX : 91-79-26640670 EMAIL : helpdesk@meghmani.com URL: www.meghmani.com

RESPONSE TO SGX QUERIES ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

The Board of Directors of Meghmani Organics Limited (the "Company") wishes to announce its response to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX") on the "Response to SGX Queries on Annual Report for the Financial Year ended 31 March 2016" (the "Announcement") announced on 26 July 2016:-

Query 1

In the Announcement announced on 26 July 2016, with respect to interested person transactions set out on page 56 of the annual report, the Company announced under the Response to Query 8 that "The Company is in compliance with Rule 1206".

Please advise if a circular to shareholders for the approval of Interested Person Transactions ("IPT") setting out the information required under Part VIII or Part IX of Chapter 9 of the SGX-ST Listing Manual has been sent to shareholders and the date of the circular. If not, please disclose how the Company has complied with Rule 1206.

Response to Query 1

The Company has obtained a general mandate for Related Parties Transactions which would include the IPT for a period of three years at the Annual General Meeting ("AGM") held on 28 July 2014 and 26 July 2016. Notice of AGM dated 23 May 2014 and 28 May 2016 includes information that relates to IPT was disclosed under related parties (e.g. name of related parties, nature of interest, nature of transactions, amount of transactions, and name of persons who are required to abstain from voting) and sent by the Company to its shareholders for them to make a properly informed decision. The said Notice of AGM was issued in accordance with the Indian Companies Act, 2013 and Regulations of the Securities and Exchange Board of India.

In India Transfer Pricing Rules prevails and hence the Group cannot transfer the goods at a price lower than the price at which it is selling in the market to other customers.

The Company has partially complied with Rule 1206 of the Listing Manual, as the Notice of AGM dated 23 May 2014 and 28 May 2016 did not set out all information required under Part VIII or Part IX of Chapter 9 of the SGX Listing Manual.

Below are details of Related Party Transactions which includes the IPT for the period of 01.04.2015 to 31.03.2016

No.	Name of Related Parties	Total in Rs.	% of NTA	Remarks
1	Matangi Industries	7,140,426	0.1%	Approval Not required
2	Meghmani Finechem Ltd.	382,217,669	5.0%	Approval Not required
3	Meghmani Dyes & Intermediate Ltd.	11,601,388	0.2%	Approval Not required
4	Meghmani Industries Ltd.	14,637,312	0.2%	Approval Not required
5	Vidhi Global Chemicals Limited	614,001,500	8.0%	Approval required
6	Meghmani Pigments	102,909,633	1.3%	Approval Not required
7	Ashish Chemicals Eou Unit - li	24,085,774	0.3%	Approval Not required
8	Meghmani Organics FZE	21,808,709	0.3%	WOS
9	Meghmani Chemicals Limited	5,195,812	0.1%	Approval Not required
10	Meghmani Organics INC USA	562,794,747	7.3%	WOS
11	Meghmani Llp	35,061,435	0.5%	Approval Not required
	Grand Total	1,781,454,403	23.2%	
	Net Tangible Assets	7,668,429,683		

The Company considers ratifying the transaction only with **Vidhi Global Chemicals Limited** which exceeded 5% of NTA of the Company at the next general meeting.

Query 2

As noted in Query 8 of the Announcement that “the IPT undertaken during FY2016 exceeded 5% of the NTA of the Company”. As asked previously under Query 8, please disclose accordingly whether and how the Company has complied with Rule 906 and Rule 1202.

Response to Query 2

The Company has obtained approval of the shareholders at the AGM held on 28 July 2014 and 26 July 2016 for the arrangement of Purchase and Sales of Pigment and Agrochemicals with Related Parties Transactions which would include the IPT for a period of three years under the Indian Companies Act, 2013. The Company has complied with Rule 906 of the Listing Manual.

The Company admits that a draft Notice of AGM which includes a resolution for approval of Related Parties Transactions which would include the IPT for a period of three years was inadvertently not submitted to SGX for review before circulating to the shareholders. Hence, to that extent the Company has not complied with Rule 1202 of the Listing Manual.

The Company will submit a draft copy of Notice of AGM/circular for approval of IPT to SGX for review as and when required or when the need arises.

By Order of the Board

Kamlesh Dinkerray Mehta
Company Secretary
2 September 2016