



MEGHMANI ORGANICS LIMITED

(Incorporated as a limited liability company in India)

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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 2015 – 2016 Annual Report:-

Query 1

Rule 1207(9)(e) requires the percentage of shareholding held in public hands to be stated in the annual report. Please disclose and confirm the percentage of shares held by the public.

Response to Query 1

As at 13 June 2016, 14.34% of the Company's Singapore Depository Shares are held in the hands of public. Accordingly, the Company had complied with Rule 723 of the Listing Manual of SGX.

Query 2

Rule 713(1) requires the audit partner to not be in charge of more than 5 consecutive audits. Please state that date of appointment and name of the audit partner in charge for M/s Khandwala & Khandwala. Please disclose if the Company has complied with Rule 713(1).

Response to Query 2

Name of the audit partner in charge:	M. M. Khandwala
Date of Re- Appointment:	27 July 2016
No. of years that the named audit partner has been in charge:	1 year

The Company had complied with Rule 713(1) of the Listing Manual of SGX.

Query 3

On page 5 of the Annual Report, the Company states that KPMG is a joint-auditor of the Company. Please disclose the name of the partner in charge of the audit and when the audit partner was appointed. Please disclose the Independent Audit Report by KPMG.

Response to Query 3

Name of the audit partner in charge:	Sukrut Mehta
Date of Appointment:	27 June 2012

The Company will arrange for the Independent Audit Report by KPMG to be disclosed by 29 July 2016.

Query 4

Rule 712(a) and (b) requires the auditing firm appointed by the issuer to be registered with the Accounting and Corporate Regulatory Authority (“ACRA”) or Registered with and/or regulated by an independent audit oversight body acceptable to the Exchange. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies. Please explain how the Company has complied with Rule 712 with regards to the suitability of the auditor.

Response to Query 4

As advised by SGX, the Company has appointed KPMG, one of the big four International Audit Firm as Joint Auditor. Hence, the Company had complied with the requirements under Rule 712(a) and (b) of the Listing Manual of SGX.

Query 5

On page 44 of the Annual Report, the Company stated that “Except Mr. Jayanti Patel, Mr. Natwarlal Patel and Mr. Ramesh Patel (related as brothers), no other directors are related to each other”. Please disclose if Mr. Kanthibhai Patel and Mr. Anand Patel are relatives of the brothers or to each other. If so, please explain how Mr. Kantibhai Patel is deemed to be independent.

Response to Query 5

Mr. Kantibhai Patel and Mr. Anand Patel are not relatives. Only they have the Patel surname in common. Both are of two distinct families. Mr. Kantibhai Patel is in no way connected with the Promoters.

Query 6

On page 48 of the Annual Report, the Company stated that “There is no director who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent”. Please disclose the nature of the relationship referred to in the aforementioned statement and who these directors are. Please disclose how this relationship would deem them to still be independent.

Response to Query 6

The Nominating Committee (“NC”) has reviewed and confirmed the independence of the following Independent Directors in accordance with the Code of Corporate Governance 2012 (the “Code”) by taking into account factors such as relationship with the Company, its related corporations, its 10% shareholders or its officers and whether these relationships interfere with his business judgement.

Independent Directors:-

Mr. Chinubhai Shah
Mr. Balkrishna Thakkar
Mr. Jayaraman Vishwanathan
Mr. Kantibhai Patel
Mr. Chander Sabharwal
Ms. Urvashi Shah

The above mentioned Independent Directors have also confirmed their independence in accordance with the Code and there are no relationships (including immediate family relationships) between them and the other Directors of the Company or its shareholders.

After taking into account the views of the NC, the Board is satisfied that each Independent Directors is independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could affect, the director's judgement.

Query 7

In relation to the header "Insider Trading" on page 55 of the Annual Report, the Company stated that "All the Directors and Senior Management personnel have affirmed compliance with the Corporate Code laid down by the Board of Directors of the Company". Rule 1207(19) requires a statement whether and how the company has complied with best practices as set out in the rule. Please disclose what are the principles in the "Corporate Code" stated in the Annual Report and how these principles conform to the best practices set out under Rule 1207(19).

Response to Query 7

The Company has its defined Code of Conduct approved by the Board. The Company is also required to announce close of Trading window to Stock Exchange as per Securities and Exchange Board of India (prohibition of Insider Trading).

The Company has complied with Rule 1207(19) in relation to dealings in the Company Securities by its Directors and employees.

The Company issues a quarterly Notices to its Directors, officers and employees prohibiting dealings in listed securities of the Company from 15 days as the case may be, before the announcement of the Company's first three (3) quarters and 30 days annual financial results, and at any time they are in possession of unpublished material price sensitive information.

Directors and officers are also directed to refrain from dealing in securities on short-term considerations.

Directors and officers are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

Query 8

On page 56 of the Annual Report, it is stated that the aggregate value of Interested Person Transactions ("IPT") during the financial year under review amounted to ₹1,781,454,403. The audited Net Tangible Asset ("NTA") of the Company for FY2015 amounted to ₹6,325,292,121. As the IPT undertaken during FY2016 exceeded 5% of the NTA of the Company, please advise whether and how the Company has complied with Rule 906 and Rule 1202.

Response to Query 8

The Company is governed by the Indian Companies Act, 2013. Pursuant to the first proviso of Section 188 (1) of the Indian Companies Act, 2013, the Company has obtained approval of the Shareholders at the Annual General Meeting held on 28 July 2014 for the arrangement of Purchase and Sales of Pigment and Agrochemicals with Related Parties Transactions (Interested Parties Transactions) for a period of three years. The Company is in compliance with Rule 1206. The Company has also placed resolution for approval of IPT before shareholders on 26 July 2016 AGM.

Query 9

It is noted that the date of notice of the Annual General Meeting ("AGM") is 28 May 2016 but the date of the announcement of the Annual Report on SGXNet was only made on 1 July 2016. Rule 704(15) requires the immediate announcement of the date, time and place of any general meeting. Please disclose why there is a large discrepancy between the two dates and whether the Company has complied with Rule 704(15).

Response to Query 9

As per the Indian Companies Act, the Board meeting at which the draft Notice of AGM is placed and approved is considered to be the date of Notice. Hence 28 May 2016 is the date of the notice of AGM as far as Indian Companies Act is considered.

The announcement on SGXNet was made to meet with SGX Rules requirement, after the Annual Reports were dispatched. The Annual Reports were dispatched on 1 July 2016 and hence the date of notice of AGM is 1 July 2016.

Query 10

In respect of the Company's compliance with Rule 730A, where the Company must make arrangements for shareholders in Singapore to participate in the Company's AGM, the Company submitted that it will hold an information session for shareholders yearly in Singapore. On arrangements for an information session for shareholders yearly in Singapore, please disclose details of this.

Response to Query 10

The Company intends to hold information session by end of August, 2016. The exact date will be announced two weeks before the information session.

By Order of the Board

Kamlesh Dinkerray Mehta
Company Secretary
26 July 2016