



MEGHMANI ORGANICS LIMITED

(Incorporated as a limited liability company in India)

CORPORATE OFFICE: "MEGHMANI HOUSE", B/H SAFAL PROFITAIRE, CORPORATE ROAD, PRAHLADNAGAR,
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RESPONSE TO SGX QUERIES ON FIRST QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2018

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-ST") on 20 September 2018 relating to the Company's first quarter results for the period ended 30 June 2018:- *

Query 1

Administrative expenses increased by 203.2% from Rs87.1 million to Rs 264.2 million. Please provide a breakdown of the Administrative expenses and explain the reasons for the increase for each major items against the previous reporting period.

Response to Query 1

Particulars	Rs. In ('000)		
	Q1 2018-19	Q1 2017-18	Variance
Rent , rates & taxes	8,132	8,463	(331)
Travelling expenditures	6,145	5,197	948
Postage and telephone	2,796	2,728	68
Insurance premium	14,069	18,554	(4,485)
Stationery & printing expenses	1,405	1,759	(354)
Legal & Professional Fees*	1,82,096	16,257	1,65,839
Advertisement expenses	2,651	80	2,571
Audit fees	687	450	237
Donations	5,556	581	4,975
Repairs & maintenance to others	1,532	1,746	(214)
Directors remuneration	22,900	12,900	10,000
Directors sitting fees	275	675	(400)
Vehicle expenses	4,901	4,600	301
Stock exchange expenses	4,579	1,099	3,480
Software expenses	1,393	2,648	(1,255)
Other expenses	5,037	9,387	(4,350)
Total	2,64,154	87,124	1,77,030

*Professional Fee includes payment of Success fee to Promoters as per agreement with IFC, Washington USA.

Query 2

Please provide details of the Available for sale investments and disclose reasons for the 25.6% decline from Rs714 million to Rs530.9 million for the current reporting period.

Response to Query 2

Details of Available for sale investments

Particulars	Rs. In ('000)		
	Q1 2018-19	FY 2017-18	Variance
Kotak Equity Arbitrage Fund	3,38,897	3,14,696	24,201
Edelweiss Arbitrage Fund	1,92,024	3,99,485	(2,07,461)
Total	5,30,921	7,14,181	(1,83,260)

Query 3

Please disclose further information on the Acquisition of business amounting to Rs2.21 billion cash outflow from investing activities.

Response to Query 3 :-

There is no acquisition of business. The amount of cash flow of Rs. 2.21 billion by Meghmani Agrochemicals Private Limited (WOS) was for purchase of 17,666,050 Equity shares of Meghmani Finechem Limited (MFL) held by IFC, Washington USA, to give them mandatory exit.

By Order of the Board

Kamlesh Dinkerray Mehta
Company Secretary

25 September 2018