

June 23, 2021

BSE Limited  
Floor 25, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001  
BSE scrip Code: 534742

National Stock Exchange of India Ltd,  
Exchange Plaza, 5th floor,  
Bandra-Kurla Complex,  
Bandra (E).  
Mumbai - 400 051  
NSE Symbol: ZUARI

Dear Sir,

**Sub: Extraordinary General Meeting**

This is in continuation of our earlier intimation dated 1<sup>st</sup> June, 2021 informing about the Extraordinary General Meeting of the Members of the Company called by the requisitionists under Section 100 of the Companies Act, 2013 vide their requisition dated May 11, 2021 which was scheduled today i.e. June 23, 2021 at 10:00 A.M. (IST) through video conferencing / other audio visual means. Copy of the earlier intimation attached for reference.

The Company consists of more than 5000 (Five Thousand) members as on date, thus under the provisions of Section 103(1)(a)(iii) the quorum for its meetings is 30 (Thirty) members. At the scheduled time of 10:00 A.M., there were 8 members present and the quorum was not met. In accordance with the provisions of Section 103(2), the quorum was reassessed at 10:30 A.M., being half an hour from the time appointed for holding the meeting, but only 10 members were present.

Since the requisite quorum was not present even at 10:30 A.M., the Extraordinary General Meeting of the Members of the Company called by requisitionists under Section 100, was cancelled for want of quorum as stipulated under Section 103(2)(b) of the Companies Act, 2013.

Request you to kindly take the same on record.

Thanking You,

Yours Faithfully,

**For Zuari Agro Chemicals Limited**



**Vijayamahantesh Khannur**  
**Company Secretary**

Encl : As above

**ZUARI AGRO CHEMICALS LIMITED**

CIN No.: L65910GA2009PLC006177

Registered Office: Jaikisaan Bhawan, Zuarinagar, Goa - 403 726, India.

Tel: +0832 2592180, 2592181, 6752399

www.zuari.in



June 1, 2021

BSE Limited  
Floor 25, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001  
BSE scrip Code: 534742

National Stock Exchange of India Ltd,  
Exchange Plaza, 5th Floor,  
Bandra-Kurla Complex,  
Bandra (E).  
Mumbai - 400 051  
NSE Symbol: ZUARI

Dear Sirs,

**Sub: Extraordinary General Meeting Notice –Disclosure under Reg 30 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015**

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Extraordinary General Meeting Notice (EGM) scheduled to be held on Wednesday, 23<sup>rd</sup> June, 2021, at 10.00 A.M. (IST) through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") for considering the proposals put forth by Requisitionists in their requisition dated May 11, 2021.

In compliance with applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with General Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No 22/2020 dated June 15, 2020, Circular No 33/2020 dated September 28, 2020 and Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (MCA) (hereinafter collectively referred to as "MCA Circulars") the Notice is being sent only by email to all its members who have registered their email addresses with the Company or depository(ies)/ depository participants/Link Intime India Private Limited and whose names appear in the Register of Members/ List of Beneficial owners of the Company as on the closure of business hours on Friday 28<sup>th</sup> May, 2021.

The members, whose email addresses are not registered, are requested to register the same by following the detailed procedure prescribed in the Notice.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting as well as the e-voting facility to its members on the date of EGM. The remote e-voting shall commence on Sunday, 20<sup>th</sup> June, 2021 at 10.00 A.M. (IST) and end on Tuesday, 22<sup>nd</sup> June, 2021 at 5.00 P.M. (IST). The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 16<sup>th</sup> June, 2021.

The Extraordinary General Meeting Notice is uploaded on the website of the Company at [www.zuari.in](http://www.zuari.in)

Please take the above information on record.

Thanking You,

Yours Faithfully,  
**For Zuari Agro Chemicals Limited**

**Vijayamahantesh Khannur**  
Company Secretary

Encl: As above

**ZUARI AGRO CHEMICALS LIMITED**

CIN No.: L65910GA2009PLC006177

Registered Office: Jaikisaan Bhawan, Zuarinagar, Goa - 403 726, India.

Tel: +0832 2592180; 2592181, 6752399

[www.zuari.in](http://www.zuari.in)



**ZUARI AGRO CHEMICALS LIMITED**

**CIN- L65910GA2009PLC006177**

**Registered Office: Jai Kisaan Bhawan, Zuarinagar, Goa 403 726**

**Website : [www.zuari.in](http://www.zuari.in), Tel.: 0832-2592431**

Notice is hereby given pursuant to a requisition under Section 100 of the Companies Act, 2013 emailed to Zuari Agro Chemicals Limited (the “**Company**”), by members whose names are set out herein, an Extraordinary General Meeting (the “**EGM**”) will be held on Wednesday, 23<sup>rd</sup> June, 2021 at 10.00 A.M.(IST) through Video Conference (“**VC**”)/ Other Audio Visual Means (“**OAVM**”) (“hereinafter referred to as “**electronic mode**”) to consider the following proposal put forth by the Requisitionists in their requisition dated May 11, 2021:

#### **SPECIAL BUSINESS**

**1) Business Transfer Agreement (BTA) dated March 01, 2021 whereunder the Company has sold / agreed to sell the Goa fertilizer plant & associated businesses to Paradeep Phosphates Limited, including but not limited to the following aspects thereof, and passing appropriate resolution against proceeding with the said Business Transfer Agreement or passing such resolutions as considered fit:**

- a) Factors considered by the Audit Committee & the Board in its meeting held on 19th June 2020 where the decision regarding the sale was taken:
- b) Examining the terms of the Business Transfer Agreement dated 1st March 2021 including seeking clarity on the material aspects thereof which was missing in the Explanatory Statement annexed to the postal ballot notice dated 6<sup>th</sup> March 2021
- c) Steps, if any, taken by the Company to obtain regulatory, statutory & other approvals in this regard;
- d) Steps, if any, taken by the purchaser to obtain regulatory, statutory & other approvals in this regard
- e) The consideration received from the transaction till date:
- f) The steps, if any, taken by the Company for recovery of the balance consideration;

- g) The manner in which the Company and its Board seeks to protect its interests arising out of non-payment of consideration in a timely manner or otherwise:
- h) The benefits of the Business Transfer Agreement dated 1<sup>st</sup> March 2021 to the Company, its non-promoter group shareholders and discussion on whether the transaction remains commercially feasible.

**2) The Business Transfer Agreement (BTA) dated March 31, 2020 whereunder the Company has sold its Retail, Speciality Nutrients Business (SPN) & allied and Crop Protection & Care Business (CPC) and Seeds and blended business to Zuari Farmhub Limited, including but not limited to the following aspects thereof, and passing appropriate resolution against proceeding with the said Business Transfer Agreement or passing such resolutions as considered fit:**

- a) Factors considered by the Audit Committee & the Board in its meeting where the decision regarding the sale was taken;
- b) Examining the terms of the Business Transfer Agreement dated 31<sup>st</sup> March 2020 including seeking clarity on the material aspects thereof
- c) Steps, if any taken by the Company to obtain regulatory, statutory & other approvals, if any. in this regard
- d) Steps, if any, taken by the purchaser to obtain regulatory. statutory & other approvals, if any, in this regard
- e) The consideration received from the transaction till date
- f) The steps, if any, taken by the Company for recovery of the balance consideration;
- g) The manner in which the Company and its Board seeks to protect its interests arising out of non-payment of consideration in a timely manner or otherwise:
- h) The benefits of the Business Transfer Agreement dated 31<sup>st</sup> March 2020 to the Company, its non-promoter group shareholders and discussion on whether the transaction remains commercially feasible.

By Order of the Board of Directors

Vijayamahantesh Khannur  
Company Secretary  
ACS 19257

Date: 1<sup>st</sup> June, 2021

Registered Office: Jai Kisaan Bhawan, Zuarinagar-Goa 403 726

NOTES:

1. The Board of Directors at its meeting held on May 28, 2021, have approved the convening of the EGM and the issuance of the Notice of the said meeting based on the requisition made by the requisitionists. Board of Director's position in respect of the Special Business requisitioned, opinion of the Board and the recommendation of the Board of Directors are annexed to the Notice The Copy of the requisition is also annexed to the Notice.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No 22/2020 dated June 15, 2020, Circular No 33/2020 dated September 28, 2020 and Circular No. 39/2020 dated December 31, 2020 (hereinafter collectively referred to as "MCA Circulars"). The EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM through VC/OAVM.
3. In accordance with the aforesaid MCA Circulars, the Notice of the EGM is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories/Link Intime India Private Limited, the Company's Registrar & Transfer Agent (RTA) and whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the closure of business hours on Friday, May, 28 2021 . In compliance with the requirements of the MCA Circulars, hard copies of EGM Notice will not be sent to the members for this EGM and the shareholders are requested to carefully read the e-voting instructions indicated in this Notice.
4. The Notice of the EGM is placed on the website of the Company at [www.zuari.in](http://www.zuari.in). The Notice of the EGM can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

5. Pursuant to MCA Circulars and SEBI Circulars dated May 12, 2020 and January 15, 2021, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the EGM through VC/OAVM and cast their votes through e-voting.
6. The EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars. Since the EGM will be held through VC/OAVM, the route map and attendance slip are not annexed in this Notice.
7. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
9. The Company's Registrar & Share Transfer Agents (RTA) are :  
Link Intime India Private Limited  
C-101, 247 Park,  
L B S Marg, Vikhroli (W)  
Mumbai 400 083  
Tel : 022-49186000  
Fax: 022-49186060  
E-mail: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

10. Members are advised to avail the facility for receipt of future dividends through National Electronic Clearing Services (NECS). The ECS facility is available at specified locations. Shareholders holding shares in electronic form are requested to contact their respective Depository Participant for availing NECS facility. The Company or our RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Shareholders holding shares in physical form and desirous of either registering bank details or changing bank details already registered against their respective folios are requested to send a request letter for updating Bank Account Numbers with 9 digit MICR Number to the RTA or to the Company with attested copy of his/her PAN Card and a copy of his/her cheque leaf (to capture correct Bank Account Number, IFSC Code and 9 digit MICR Code).
11. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members can avail facility for nomination in respect of the shares held by them. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility. Members holding shares in physical form may send their nomination in the prescribed form duly filled in to RTA at the above mentioned address.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
14. Members are requested to notify any change in their postal/mail or email address:
  - (i) To their Depository Participants (DPs) in respect of the shares held in Demat form and

(ii) To the Company, to its Shares Department at the Registered Office at Jai Kisaan Bhawan, Zuarinagar, Goa – 403726 in respect of the shares held in physical form.

(iii) In case the mailing address registered with the Company is without the PINCODE, kindly inform the same to DP or the Company, as mentioned above.

15. The postal ballot notice dated March 05, 2021, scrutimizer's report on the postal ballot and the minutes of the postal ballot will be available for inspection by the Members on the website of the Company at [http://www.zuari.in/investor/notice\\_general\\_meeting](http://www.zuari.in/investor/notice_general_meeting) from the date of dispatch of the Notice up to the date of EGM i.e. from June 1, 2021 to June 23<sup>rd</sup>, 2021 and will also be available for inspection during the EGM.
16. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards the Greener Environment and to receive all documents, Notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with RTA if shares are held in physical mode or with the Depository Participant, if the shares are held in electronic mode.
17. With effect from April 01, 2019, except in the case of transmission or transposition of securities, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a Depository. Hence, the members holding shares in physical form are requested to dematerialize their physical shares into electronic form by sending demat request to their concerned Depository Participants.
18. **Voting Process:**

**Process and manner for members opting to vote through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes



by a member using remote e-voting as well as the e-voting system on the date of the EGM will be provided by CDSL.

- (i) **The remote e-voting period begins on Sunday, 20<sup>th</sup> June, 2021 at 10.00A.M. (IST) and ends on Tuesday, 22<sup>nd</sup> June, 2021 at 5.00 P.M.(IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being Wednesday, 16<sup>th</sup> June, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 read with Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised

to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li>   <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li>   <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
<p>Individual Shareholders (holding securities in</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be</p>

demat mode) login through their <b>Depository          Participants</b>	redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding shares in DEMAT form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).</li> </ul>

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of ZACL :210529002 on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [cs.sbhat@gmail.com](mailto:cs.sbhat@gmail.com) and to the Company at the email address viz; [shares@adventz.com](mailto:shares@adventz.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting with respect to the matters as set out in the EGM Notice may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [shares@adventz.com](mailto:shares@adventz.com) .
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending upon the availability of time.
9. Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:**

1. **For Physical shareholders-** A signed copy of request letter mentioning details like Folio No., Name of shareholder, Mobile No., email id, that is to be registered along with scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) may be sent by email to the Company at [shares@adventz.com](mailto:shares@adventz.com) /RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) .



2. **For Demat shareholders** -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**General instruction/information for Members for voting on the Resolutions:**

- a) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, subject to the provisions of the Section 108 of the Companies Act, 2013 and Rules made thereunder, as amended, as on the cutoff date, being Wednesday, 16<sup>th</sup> June, 2021. The person who is not a member as on cut-off date should treat this notice for information purpose only. Any person, who acquires shares of the Company & becomes member of the Company after the dispatch of the Notice of EGM and holding shares as on the cut-off date i.e. Wednesday, 16<sup>th</sup> June, 2021, may please refer the voting instructions in the EGM Notice for e-voting.
- b) Mr. Shivaram Bhat, Practicing Company Secretary (Membership No. 10454) has been appointed by the Board of Directors of the Company as the Scrutinizer for scrutinizing the remote e-voting process as well as voting through poll papers at the Meeting, in a fair and transparent manner.
- c) The Scrutinizer will submit, within 2 working days of conclusion of the EGM, a consolidated scrutinizer's report, of the total votes cast in favour or against, if any, to the Chairman of EGM or any other Director or Company Secretary authorized by the Chairman of the EGM in writing who will countersign the same and declare the result of the voting forthwith, which shall be displayed on the Notice Board of the Company at its Registered Office. The result

will also be displayed on the website of the Company at [www.zuari.in](http://www.zuari.in) , besides being communicated to Stock Exchanges.

### **Board of Director’s position in respect of the Special Business requisitioned**

The Requisitionists have not provided any explanatory statement along with their requisition. The Board of Directors has, however considered the requisition notice dated 11<sup>th</sup> May 2021 and the business sought to be transacted at the requisitioned Extraordinary General Meeting (“EGM”) thereunder. After considering the same, the Board has thought it fit to provide to the shareholders the information set out hereinbelow together with the Board’s opinion and recommendations.

### **BACKGROUND**

1. The following is the list of Requisitionists and the number of shares and percentage of paid up share capital held by them in the Company:

<b>Sr. No.</b>	<b>Name of the Requisitionist</b>	<b>Percentage of Paid up capital of the Company (as on 11<sup>th</sup> May 2021)</b>	<b>Number of Shares held (as on 11<sup>th</sup> May 2021)</b>
1.	Finquest Financial Solutions Private Limited	0.49	2,04,285 <sup>1</sup>
2.	Bharat Jayantilal Patel	0.06	23,469
3.	Minal Bharat Patel	1.75	7,36,329
4.	Hardik B. Patel	0.54	2,25,183
5.	Hardik Bharat Patel/ Minal Bharat Patel	3.78	15,88,239
6.	Ruchit Bharat Patel/ Hardik Bharat Patel	2.63	11,08,157
7.	Shweta Hardik Patel/Hardik Bharat Patel	0.07	31,000

<sup>1</sup> The shareholding of Finquest Financial Solutions Private Limited has increased from 2,715 shares between Oct 2020 - Jan 2021 to over 2 Lakh shares in Feb 2021.

8.	Tanvi Ruchit Patel	0.05	19,000
9.	Pankaj Jayantilal Patel	0.79	3,33,100
10.	Milind Pankaj Patel	0.13	53,100
11.	Prashant Jayantilal Patel	0.29	1,24,530
12.	JHP Securities Pvt. Ltd.	0.12	50,158
	<b>Total</b>	10.69%	44,96,550

2. The Requisitionists Nos. 2 to 11 appear to be proximately related to one another and the Requisitionists Nos. 1 and 12 appear to be their family entities. The Requisitionists through their proximity are acting in concert with one another.
  
3. The Company has been served with a notice dated 12<sup>th</sup> May 2021 enclosing a copy of company petition under Section Nos. 241 and 242 of the Companies Act, 2013 *inter alia* challenging the Business Transfer Agreements dated 31<sup>st</sup> March 2020 and 1<sup>st</sup> March 2021. The Company and its Directors have taken legal advice and shall suitably defend these proceedings including filing a challenge to the maintainability of the proceedings as legally advised. The Company had been informed by the advocates for the Requisitionists that they propose to file the same before the National Company Law Tribunal, Mumbai ('**NCLT**') on the aforesaid date. To this end, the advocates for the Company had addressed a letter dated 19<sup>th</sup> May 2021 calling upon the advocates for the Requisitionists to intimate them as and when the petition is filed and moved before the NCLT. As and when the company petition is filed and moved before the NCLT, the Company proposes to strongly oppose the proceedings based on the strategy prepared by their advocates. Notwithstanding the service of the aforesaid Petition, the Requisitionists have sought to requisition the present meeting. It is pertinent to note that the reliefs sought for in the aforesaid Petition are similar to the resolutions proposed to be passed in the EGM requisitioned.
  
4. By virtue of the business sought to be conducted by the present requisition, the Requisitionists are effectively seeking unilateral termination of the Business Transfer Agreement dated 31<sup>st</sup> March 2020 for the sale of retail, Specialty Nutrient (SPN) & allied and Crop Protection Chemicals (CPC) and Seeds business (collectively called "**Farmhub Business**") to Zuari Farmhub Limited ("**ZFL**") which has been implemented. The Requisitionists are also seeking unilateral termination of the Business Transfer Agreement dated 1<sup>st</sup> March 2021 for sale of the Goa Plant and associated business to Paradeep Phosphates Limited ("**PPL**") which was approved by an overwhelming majority of the shareholders (including the majority of the minority shareholders and even by

Requisitionists holding 10.02% out of their total 10.69% paid up share capital) pursuant to the Postal Ballot dated 5<sup>th</sup> March 2021.

5. Any such resolution would be detrimental to the interest of the Company and consequently its shareholders. The same would negatively impact the financials of the Company as well as the ability of the Company to meet its contractual obligations and expose the Company to large claims of damages and potential litigation.
6. The Company is in the business of manufacturing and trading of various types of fertilizers. In the recent past, due to significant delays in receipt of subsidies, drought like situation in key marketing areas led to deterioration of the Company's liquidity position along with elongation of the working capital cycle and also build-up of high-priced inventory. The Company was unable to pass on the increase in the prices of the raw materials to the farmers which contributed to operating losses, cash flow mismatch and reduced financial flexibility of the Company, on account of which the Company had a net current liability position of INR 1557.61 crores as on 31<sup>st</sup> March 2021 (INR 1,555.69 crores as on December 31, 2020 ; INR 1,506.27 crores as on March 31, 2020). These factors adversely impacted the Company's cash flow, debt positions, recall of borrowings by certain lenders, downgrading of their rating to [ICRA] D and prolonged shutdown of its plants for different periods. The plants of the Company were also intermittently shutdown due to an array of reasons as disclosed by the Company from time to time. These closures have also severely prejudiced the production and turnover of the Company. The aforesaid factors have been disclosed to the shareholders and the stock exchanges from time to time including in the quarterly financial results.
7. The members of the Company, after considering all relevant factors have approved the transfer of the sale of the Goa Plant to PPL by way of postal ballot with an overwhelming majority. Significantly, 96.7% of the public (non-institution) shareholders (including the Requisitionist Nos. 3 to 11) have also approved the sale of the Goa Plant.
8. The restructuring of the Farmhub Business was necessitated in the circumstances set out below. The same was reflected in the audited financial results for the year ended 31<sup>st</sup> March 2020 which were duly approved by the shareholders in the annual general meeting held on 14<sup>th</sup> September 2020.

**Item No. 1:**

**Business Transfer Agreement dated 1<sup>st</sup> March 2021**

9. Briefly, the facts apropos the Business Transfer Agreement dated 1<sup>st</sup> March 2021 are as under:

9.1. The transaction with PPL has been entered into with a view to repay the significant amounts repayable to the creditors and lenders thereby ensuring the long-term survival of the Company as well as to bring in long term funds, consolidate the bulk fertilizer business and achieve a significant reduction of leverage of the Company. The Board has kept shareholders and regulatory authorities informed at all relevant times of the developments regarding the aforesaid sale transactions and the circumstances which necessitated the execution of these transactions.

9.2. The Company shall utilise the amounts from the transaction with PPL to repay its creditors including bankers and upon such repayments the Company shall discharge its liabilities.

9.3. 80.45% of the shareholding of PPL is held by Zuari Maroc Phosphates Pvt. Ltd. (“**ZMPPL**”). The Company and OCP S.A. hold 50% each of the total equity capital of ZMPPL.

9.4. The sale of Goa Plant to PPL was aimed at consolidating the bulk fertilizer business since the unique products of the Company and it’s distribution strength in key states of western India would render positive synergies and provide an unparalleled competitive advantage.

9.5. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 19<sup>th</sup> June 2020 had granted In-Principle approval for the sale of Goa Plant, related factory land and associated assets to PPL at a valuation of USD 280 million, subject to regulatory and statutory approvals and due diligence by PPL. The aforesaid was disclosed to the stock exchanges by the Company by the letter dated 19<sup>th</sup> June 2020.

9.6. A further letter dated 13<sup>th</sup> July 2020 was addressed to the stock exchanges in view of queries raised by certain stakeholders including the Requisitionist No. 4, namely, Mr. Hardik Patel, wherein additional clarifications were provided including that the approvals were in the nature of in-principle approvals and subject to due diligence and statutory approvals. Mr. Hardik Patel had raised various queries regarding the aforesaid transaction by a letter dated 1<sup>st</sup> September 2020 and during the course of the Annual General Meeting held on 14<sup>th</sup> September 2020 (“**AGM**”). The Company had at the aforesaid AGM duly informed the shareholders that the proposal would be placed before the shareholders for their approval.

- 9.7. An independent valuation report was obtained for Goa Plant, related factory land and associated assets which confirmed the valuation at USD 280 million.
- 9.8. Further, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 22<sup>nd</sup> February 2021, approved the sale of Goa plant and associated businesses of the Company to PPL as a going concern, on a slump sale basis at an Enterprise Value of USD 280 million [INR 2,052,25,44,000 (Rupees Two Thousand Fifty Two Crores Twenty Five Lakhs and Forty Four Thousands only) converted at an exchange rate of INR 73.2948 / USD, as on the date of execution of the Business Transfer Agreement], to be suitably adjusted for working capital changes at the date of actual transfer of the business and other agreed items on the agreed valuation date of 31<sup>st</sup> March 2020 and entering into business transfer agreement, subject to shareholders approval. The aforesaid was disclosed to the stock exchanges by the letters dated 22<sup>nd</sup> February 2021 and 2<sup>nd</sup> March 2021.
- 9.9. The Company has entered into Business Transfer Agreement dated 1<sup>st</sup> March 2021 (“**BTA**”) with PPL with a condition precedent that the shareholders’ approval be obtained. The aforesaid was disclosed to the stock exchanges by the letter dated 2<sup>nd</sup> March 2021.
- 9.10. As the approval of the Board was subject to the shareholders’ approval, a postal ballot notice dated 5<sup>th</sup> March 2021 was issued to the shareholders of the Company in terms of Section 110 of the Companies Act, 2013.
- 9.11. The explanatory statement to the postal ballot *inter alia* recapitulated the aforesaid facts as well as set out the salient features of the BTA including that the enterprise valuation of ZACL Goa plant, related factory land and associated assets was arrived as on 31<sup>st</sup> March 2020 at USD 280 million [INR 2,052,25,44,000 (Rupees Two Thousand Fifty Two Crores Twenty Five Lakhs and Forty Four Thousands only) converted at an exchange rate of INR 73.2948 / USD, as on the date of execution of the BTA i.e. 1<sup>st</sup> March 2021, to be suitably adjusted for working capital changes at the date of actual transfer and other agreed items.
- 9.12. After issuance of the aforesaid Postal Ballot Notice, Mr. Hardik Patel by his letter dated 10<sup>th</sup> March 2021 raised further queries relating to the sale transaction. The Company by its letter dated 13<sup>th</sup> March 2021 provided the requisite clarifications. No further queries were received and in fact, Mr. Hardik Patel amongst other Requisitionists proceeded to vote in favour of the transaction.
- 9.13. The postal ballot results were announced on 8<sup>th</sup> April 2021. By an overwhelming majority, the shareholders approved of the sale of the plant at Goa to PPL. Significantly, 96.7% of the public non-institution shareholders also voted in favour of the transaction.

- 9.14. In fact, the majority of the Requisitionists holding 10.02% of the paid up share capital of the Company voted in favour of the transaction. Only one of the Requisitionists viz. Finquest Financial Solutions Pvt. Ltd. voted against the transaction. A tabular chart setting out the voting details of the Requisitionists is as under:

<b>Name of the Requisitionist</b>	<b>Vote cast in postal ballot regarding transaction with PPL</b>
Finquest Financial Solutions Private Limited	Against
Bharat Jayantilal Patel	Not eligible to vote
Minal Bharat Patel	Favour
Hardik B. Patel	Favour
Hardik Bharat Patel/ Minal Bharat Patel	Favour
Ruchit Bharat Patel/ Hardik Bharat Patel	Favour
Shweta Hardik Patel/Hardik Bharat Patel	Favour
Tanvi Ruchit Patel	Favour
Pankaj Jayantilal Patel	Favour
Milind Pankaj Patel	Favour
Prashant Jayantilal Patel	Favour
JHP Securities Pvt. Ltd.	Did not vote

10. Subsequent thereto, the Company and PPL have commenced implementation of the Business Transfer Agreement dated 1<sup>st</sup> March 2021 *inter alia* including the submission of the requisite applications with various regulatory authorities in due conformity with the provisions of the relevant statutes and the rules and regulations framed thereunder. Not only is the transaction commercially viable, but it is also absolutely necessary to ensure that the Company remains a going concern.
11. The Company has communicated to PPL that it has obtained necessary corporate authorizations viz., approval of the Audit Committee, Board of Directors and shareholders. The Company has also made applications for obtaining necessary consents / approvals of the lenders, Income Tax Department and the relevant parties to the contracts.
12. PPL has obtained approval of its Audit Committee and Board of Directors. It is in the process of obtaining approval of its shareholders, which includes the Government of India. PPL has also made applications for obtaining necessary consents / approvals of the lenders and other regulatory authorities required under various statutes.

13. The Company and PPL will settle the closing consideration which will be partly financed (approximately INR 1000 Crores) from public issue and the balance from loans and internal accruals. The outstanding amount payable by ZACL to PPL and any loans of ZACL that get transferred to PPL, would be reduced from the closing consideration.

**Item No. 2:**

**Business Transfer Agreement dated 31<sup>st</sup> March 2020**

14. Briefly, the facts apropos the Business Transfer Agreement dated 31<sup>st</sup> March 2020 are as under:

14.1. The transaction with ZFL was necessary to grow the retail business viz. the Farmhub business, as no investors were ready to invest in the Farmhub business while it was a part of the Company (due to the control on sale price and heavy dependence on subsidies) and the Company did not have the necessary capital and was unable to raise the required capital to grow the same. The investment by the investors would *inter alia* provide an expedited ramp up for the overall business, especially those of retail stores and blended fertilizers that is now being carried out by ZFL.

14.2. The Farmhub business of the Company comprised of its retail, Specialty nutrients business (SPN) & allied businesses, Crop Protection & Care business (CPC), which is distinct from the bulk manufacturing business inasmuch as, the Businesses of retail, SPN and CPC are fundamentally asset-light businesses unlike the core traditional business of manufacture of bulk fertilizers like Urea, DAP and other NPK grades that the Goa plant manufactures and the Farmhub business is not subject to government restrictions including price control. The priorities related to financing and working capital were also different in the Farmhub business as compared to the bulk businesses of the company.

14.3. The retail business had 331 retail stores in the rural part of the country to connect directly with farmers which sold not only fertilizers but also other agri-inputs to farmers to meet their crop-specific and soil specific requirements, on cash and carry model including those of other companies also. In order to reach out to more and more farmers in rural areas, it was planned to have more than 1000 retail stores and also hubs to store bulk material and blend it to meet specific requirement of crop and soil. Keeping this in mind, a plan was developed to create a new touch point with the farmers in parallel to the chain of retail stores that already existed.

14.4. In order to implement the aforesaid, the Company required infusion of enormous capital to grow the Farmhub business. The Company did not have the



necessary capital and was unable to raise the required capital to grow the same as no investors were ready to invest in the Farmhub business of Company, while it was a part of the Company.

- 14.5. Such investors did not want to invest in the Company *inter alia* as it its bulk fertilizer business subject to control and restrictions by the Government. These investors were interested in a simpler business model without any price control and subsidies.
- 14.6. It was therefore decided to carve out a separate company or entity which will mark this business as an independent business wherein the entity would get more strategic and financial investors. With a view to grow the retail business, it was therefore decided that there would be a slump sale of the retail, Specialty nutrients business (SPN) & allied businesses, Crop Protection & Care business (CPC), seeds and blended businesses of the Company to ZFL at a value of INR 785,56,00,000/- (Rupees Seven Hundred and Eighty-Five Crores and Fifty Six Lakhs only). The Audit Committee and the Board of Directors at their respective meetings held on 5<sup>th</sup> February 2020 have considered, evaluated and then approved the sale of Retail, SPN, CPC and Seeds business to ZFL at a consideration of INR 785.56 Crore on slump sale basis, the valuation of which was arrived by an independent registered valuer.
- 14.7. The book value of Farmhub Business of the Company was 12% of the net worth of the Company and the total income of Farmhub Business was 8% of the total income of the Company, as per the audited financial statements of the Company for the financial year ended Mar 31, 2019, and accordingly, the approvals were obtained as required under the Companies Act, 2013.
- 14.8. ZFL is a wholly owned subsidiary of the Company since 23 March 2020.
- 14.9. It was in such circumstances that the Business Transfer Agreement dated 31<sup>st</sup> March 2020 was executed and the necessary disclosure was made at that contemporaneous point in time.
- 14.10. Subsequently, the said Business Transfer Agreement dated 31<sup>st</sup> March 2020 has been acted upon and has been fully implemented in the following manner:
- i. Settlement of entire purchase consideration in the form of Compulsorily Convertible Debentures.
  - ii. The assets (pertaining to the slump sale) of the Company were transferred to ZFL as on 31<sup>st</sup> March 2020.
  - iii. The liabilities of the Company amounting to approximately Rs. 74,33,00,000/- (Rupees Seventy Four Crores and Thirty Three Lakhs only) were transferred to ZFL as on 31<sup>st</sup> March 2020.

- iv. ZFL obtained the requisite licenses viz. Fertilizer license, Pesticide license, Seed License and SPN licenses required for the business.
  - v. Employees of the Company associated with Farmhub business have been transferred to ZFL.
  - vi. ZFL has been running the affairs of the Farmhub business.
  - vii. ZFL is in the process of raising equity resources to the tune of USD 46.5 million (being 30% of the enterprise value of ZFL) in two tranches for which confirmatory due diligence is at an advanced stage and definitive agreements are being negotiated.
- 14.11. The Company's Annual Report for the FY2019-2021 even recorded that *"Pursuant to execution of the Business Transfer Agreement (BTA) dated 31-03-2020 between the Company and ZFHL, the Company transferred its Retail, SPN & allied, CPC business and blended business by way of slump sale to ZFHL."*
- 14.12. The aforesaid accounts regarding the transaction with ZFL were included in the audited financial statements of the Company for the year ended 31<sup>st</sup> March 2020 which has been approved by an overwhelming majority of the shareholders including certain Requisitionists presently holding 6.56% of the paid up share capital who had voted in favour of approving the audited financial statements at the Annual General Meeting of the Company held on 14<sup>th</sup> September 2020. None of the Requisitionists have voted against the resolution. The Requisitionists presently holding 4.07% of the shareholding despite being entitled to vote, opted to abstain from voting at the Annual General Meeting of the Company held on 14<sup>th</sup> September 2020.

#### **OPINION OF THE BOARD OF DIRECTORS OF THE COMPANY**

15. The aforesaid transactions have been executed in the interest of the Company *inter alia* to ensure its long-term survival and progress.
16. Furthermore, if the transaction relating to the sale of the Goa Plant is terminated, the Company may not be in a position to repay its creditors (including bankers) and may default in its obligations. This may result in proceedings being instituted by the bankers and other creditors against the Company including insolvency proceedings. Apart from that, it would negatively impact the financials of the Company as well as the ability of the Company to meet its contractual obligations. In such circumstances there would be a potential erosion of shareholder value.

17. Insofar as the sale of Farmhub business is concerned, the same has been fully implemented and has been irreversibly acted upon. In the opinion of the Board, the same cannot be terminated at this stage.

18. The Board has been legally advised that a transaction which has been entered into, ratified by the shareholders and acted upon by the parties thereto, cannot be unilaterally rescinded and/or terminated even with the sanction of the shareholders. Any such action by the Company would expose it to legal proceedings and a claim for substantial damages by the counterparties to the transaction. The proposed resolutions of the Requisitionists would require the Company to commit a breach of contract and act in a manner contrary to law. The same are therefore against the interest of the Company, its shareholders, creditors and employees.

#### **RECOMMENDATION BY THE BOARD OF DIRECTORS OF THE COMPANY**

In the interest of all concerned including the Company, its shareholders, creditors and employees, the Board of Directors of the Company recommends that the proposed resolutions be rejected.

By Order of the Board of Directors

Vijayamahantesh Khannur  
Company Secretary  
ACS 19257

Date: 1<sup>st</sup> June, 2021

Registered Office: Jai Kisaan Bhawan, Zuarinagar-Goa 403 726

11<sup>th</sup> May 2021

**BY SPEED POST/ COURIER /EMAIL**

To,

1. Shri S.K. Poddar  
Chairman  
Zuari Agro Chemicals Limited.
2. Shri Nitin M. Katak  
Executive Director  
Zuari Agro Chemicals Limited.
3. Shri Akshay Poddar  
Director  
Zuari Agro Chemicals Limited.
4. Shri Suresh Krishan  
Director  
Zuari Agro Chemicals Limited.
5. Shri Kiran Dhingra  
Independent Director  
Zuari Agro Chemicals Limited.
6. Shri Dipankar Chatterji  
Independent Director  
Zuari Agro Chemicals Limited.
7. Shri L.M. Chandrasekaran  
Independent Director  
Zuari Agro Chemicals Limited.
8. Shri Vijayamahantesh Khannur  
Company Secretary  
Zuari Agro Chemicals Limited.
9. Zuari Agro Chemicals Limited.  
At its registered office at  
Jai Kisan Bhawan, Zuarinagar,  
Goa – 403 726.  
Email: [investor.relations@adventz.com](mailto:investor.relations@adventz.com)

Dear Sirs,

**Sub:** Requisition under section 100(2) of the Companies Act, 2013 to call an extraordinary general meeting of Zuari Agro Chemicals Limited

We, the undersigned, are the shareholders of Zuari Agrochemicals Limited (the “Company”). Our shareholding in the Company is set out below, which can be verified from the :

<b>Sr. No.</b>	<b>Name of shareholder(s)</b>	<b>Number of shares held</b>	<b>Percentage in the paid-up share capital of the Company</b>	<b>DP ID / Client ID / Folio No.</b>
1	Finquest Financial Solutions Private Limited	2,04,285	0.49%	1204800000043995
2	Bharat Jayantilal Patel	23,469	0.06%	1204800000011954
3	Minal Bharat Patel	7,36,329	1.75%	1204800000011969
4	Hardik B. Patel	2,25,183	0.54%	1204800000049224
5	Hardik Bharat Patel / Minal Bharat Patel	15,88,239	3.78%	1204800000000262
6	Ruchit Bharat Patel / Hardik Bharat Patel	11,08,157	2.63%	1204800000000317
7	Shweta Hardik Patel / Hardik Bharat Patel	31,000	0.07%	1204800000008409
8	Tanvi Ruchit Patel	19,000	0.05%	1204800000048896
9	Pankaj Jayantilal Patel	3,33,100	0.79%	1204710000000011
10	Milind Pankaj Patel	53,100	0.13%	1204710000000894
11	Prashant Jayantilal Patel	10,112	0.02%	1204710000040756
12	Prashant Jayantilal Patel	16,850	0.04%	1204710000000307
13	Prashant Jayantilal Patel	97,568	0.23%	1204710000000155
14	JHP Securities Pvt. Ltd.	28,258	0.07%	1204710000054938
15	JHP Securities Pvt. Ltd.	21,900	0.05%	1204710000060496

In terms of section 100(2) of the Companies Act, 2013, we request the Board of Directors to call an extraordinary general meeting of the Company. The matters for the consideration of which the meeting is to be called are set out below:

- (i) The Business Transfer Agreement dated 1<sup>st</sup> March 2021 whereunder the Company has sold/ agreed to sell the Goa fertiliser plant & associated businesses to Paradeep Phosphates Limited, including but not limited to the following aspects thereof, and passing appropriate resolution against proceeding with the said Business Transfer Agreement or passing such resolutions as considered fit:
  - a. Factors considered by the Audit Committee & the Board in its meeting held on 19<sup>th</sup> June 2020 where the decision regarding the sale was taken;
  - b. Examining the terms of the Business Transfer Agreement dated 1<sup>st</sup> March 2021 including seeking clarity on the material aspects thereof which was missing in the Explanatory Statement annexed to the postal ballot notice dated 6<sup>th</sup> March 2021;
  - c. Steps, if any, taken by the Company to obtain regulatory, statutory & other approvals in this regard;
  - d. Steps, if any, taken by the purchaser to obtain regulatory, statutory & other approvals in this regard;
  - e. The consideration received from the transaction till date;
  - f. The steps, if any, taken by the Company for recovery of the balance consideration;
  - g. The manner in which the Company and its Board seeks to protect its interests arising out of non-payment of consideration in a timely manner or otherwise;
  - h. The benefits of the Business Transfer Agreement dated 1<sup>st</sup> March 2021 to the Company, its non-promoter group shareholders and discussion on whether the transaction remains commercially feasible;
- (ii) The Business Transfer Agreement dated 31<sup>st</sup> March 2020 whereunder the Company has sold its retail, 'Specialty Nutrients Business' and allied, crop protection & care business, seeds and blended businesses to Zuari Farmhub Limited, including but not limited to the following aspects thereof, and passing appropriate resolution against proceeding with the said Business Transfer Agreement or passing such resolutions as considered fit:

- a. Factors considered by the Audit Committee & the Board in its meeting where the decision regarding the sale was taken;
- b. Examining the terms of the Business Transfer Agreement dated 31<sup>st</sup> March 2020 including seeking clarity on the material aspects thereof;
- c. Steps, if any, taken by the Company to obtain regulatory, statutory & other approvals, if any, in this regard;
- d. Steps, if any, taken by the purchaser to obtain regulatory, statutory & other approvals, if any, in this regard;
- e. The consideration received from the transaction till date;
- f. The steps, if any, taken by the Company for recovery of the balance consideration;
- g. The manner in which the Company and its Board seeks to protect its interests arising out of non-payment of consideration in a timely manner or otherwise;
- h. The benefits of the Business Transfer Agreement dated 31<sup>st</sup> March 2020 to the Company, its non-promoter group shareholders and discussion on whether the transaction remains commercially feasible.

In terms of Rule 17(7) of the Companies (Management and Administration) Rules, 2014, we also request you to provide us a list of members together with their registered addresses & email addresses and the number of shares held by them in the Company at the following address Finquest Financial Solutions Pvt. Ltd. 602 Boston House Suren Road Andheri East Mumbai – 400 093 and the email address hardik007@gmail.com.

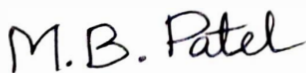
Truly yours,



1. **Hardik B. Patel, Director/ on behalf of Finquest Financial Solutions Pvt. Ltd.**



2. **Bharat Jayantilal Patel**



3. **Minal Bharat Patel**



4. **Hardik B. Patel**

  
5. Hardik Bharat Patel

M. B. Patel  
Minal Bharat Patel

  
6. Ruchit Bharat Patel

  
Hardik Bharat Patel

  
7. Shweta Hardik Patel

  
Hardik Bharat Patel

  
8. Tanvi Ruchit Patel

  
9. Pankaj Jayantilal Patel

  
10. Milind Pankaj Patel

  
11. Prashant Jayantilal Patel

  
12. Prashant Jayantilal Patel

  
Swati Prashant Patel

  
13. Prashant Jayantilal Patel

14. Vishal A. Patel, Director on behalf of JHP Securities Pvt. Ltd.



15. Vishal A. Patel, Director on behalf of JHP Securities Pvt. Ltd.

