

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 1ST/2020-21 EXTRA-ORDINARY GENERAL MEETING OF MAHINDRA AGRI SOLUTIONS LIMITED WILL BE HELD AT A SHORTER NOTICE THROUGH VIDEO CONFERENCE (VC) ON MONDAY, 10th AUGUST, 2020 AT 2.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY (DEEMED VENUE) TO TRANSACT THE FOLLOWING SPECIAL BUSINESS:

ITEM NO. 1

Increase in Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder including any statutory enactment, modification, amendment, etc. for the time being in force, consent of the Members of the Company be and is hereby accorded, for increase in the Authorised Share Capital of the Company from existing Rs. 132,50,20,000/- (Rupees One Hundred Thirty-Two Crores Fifty Lakhs and Twenty Thousand Only) divided into 8,25,00,000 (Eight Crores Twenty-Five Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each to Rs. 145,60,20,000/- (Rupees One Hundred Forty-Five Crores Sixty Lakhs and Twenty Thousand Only) divided into 9,56,00,000 (Nine Crores Fifty-Six Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each by creation of additional 1,31,00,000 (One Crore Thirty-One Lakhs) Equity Shares of Rs. 10/- each ranking *paripassu* with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the Members of the Company be and is hereby given, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:

'V. The Authorised Share Capital of the Company is Rs. 145,60,20,000/- (Rupees One Hundred Forty-Five Crores Sixty Lakhs and Twenty Thousand Only) divided into 9,56,00,000 (Nine Crores Fifty-Six Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each.'

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may in its absolute discretion deem necessary, proper or desirable as may be required to give effect to the aforesaid resolution."

ITEM NO. 2

Approve revision in remuneration of Mr. Ashok Sharma (DIN: 02766679), Managing Director and Chief Executive Officer of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Articles of Association of the Company and subject to the approval of the Central Government, if any, and such other consents and permissions as may be necessary, and subject to such modifications, variations as may be approved, consent of the Members of the Company be and is hereby accorded to increase the remuneration payable to Mr. Ashok Sharma (DIN: 02766679), Managing Director and Chief Executive Officer of the Company as per the details mentioned in explanatory statement.

Provided that the remuneration payable to the Managing Director and Chief Executive Officer (including the salary, commission, perquisites, benefits and amenities) does not exceed the limits laid down in Section 197 of the Companies Act, 2013, including any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Managing Director and Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration from the date of appointment or such other period as may be statutorily permitted by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.

RESOLVED FURTHER THAT any Director (save and except Mr. Ashok Sharma) and/or Mr. Meghnad Mitra, Chief Financial Officer and/or Mr. Feroze Baria, Company Secretary be and are

hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite e-forms Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

By Order of the Board
For **Mahindra Agri Solutions Limited**



Feroze Baria
Company Secretary
ACS - 11357

Place: Mumbai

Date: 6th August, 2020

Registered Office:

Mahindra Towers, Dr. G. M. Bhosale Marg,
P. K. Kurne Chowk, Worli, Mumbai - 400 018

CIN: U01400MH2000PLC125781

Email Id: baria.feroze@mahindra.com

Website: www.mahindraagri.com

Tel. +91 22 24905625; Fax: +91 22 24900833

NOTES:

A. In view of the present COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular dated 8th April, 2020 and 13th April, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Extra Ordinary General Meeting (“EGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence of Members at a common venue. Further, MCA vide its General Circular dated 15th June, 2020 has extended the time to hold EGMs through VC/OAVM without the physical presence of Members at a common venue till 30th September, 2020.

In compliance with the provisions of the Companies Act, 2013 (“the Act”) and MCA Circulars, the EGM of the Company is being held through VC.

B. Since this EGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Corporate Members intending to attend the Meeting through their authorized representatives are requested to email to the Company by sending an email to kadu.anwaya@mahindra.com, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

C. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the EGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the EGM.

D. The Members can join the EGM through VC 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the EGM through VC will be made available to all the Members of the Company.

E. Members attending the EGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

F. Members are requested to communicate their assent/ dissent on the agenda items of this EGM by show of hands, if the Chairman allows or by sending an email to baria.feroze@mahindra.com (“Designated email ID”) with cc to kadu.anwaya@mahindra.com and dhokare.geeta@mahindra.com, in case a poll is demanded.

G. The Company’s Registrar and Transfer Agents for its share registry work are KFin Technologies Private Limited having its office at Karvy Selenium, Tower B, Plot No - 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel: 040 - 67162222; Fax: 040- 23001153 and Email id: karisma@kfintech.com

- H. An Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed hereto.
- I. Members are requested to accord their consent pursuant to Section 101 of the Companies Act, 2013, to holding this EGM at a shorter notice.
- J. Members are requested to update their change in contact details including email address, if any.
- K. For inspection of all the documents referred to in the Notice and the Explanatory Statement annexed hereto, the Members are requested to write to the Company through their registered email IDs on kadu.anwaya@mahindra.com any time before and during the meeting.
- L. Since the EGM will be held through VC, the Route Map is not annexed in this Notice.
- M. Instructions for Members for attending the EGM through VC are as under:
 - a. Members can join the Meeting by clicking on the link provided in the email containing this notice convening the EGM of the Shareholders.
 - b. Members who need IT assistance before or during the EGM can contact Mr. Rohit Mujumdar on 7718873412.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

The present Authorised Share Capital of the Company is Rs. 132,50,20,000/- (Rupees One Hundred Thirty-Two Crores Fifty Lakhs and Twenty Thousand Only) divided into 8,25,00,000 (Eight Crores Twenty-Five Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each.

Keeping in view the capital requirement of the Company in future, it is proposed to increase the Authorised Share Capital of the Company from existing Rs. 132,50,20,000/- (Rupees One Hundred Thirty-Two Crores Fifty Lakhs and Twenty Thousand Only) divided into 8,25,00,000 (Eight Crores Twenty-Five Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each to Rs. 145,60,20,000/- (Rupees One Hundred Forty-Five Crores Sixty Lakhs and Twenty Thousand Only) divided into 9,56,00,000 (Nine Crores Fifty-Six Lakhs) Equity Shares of Rs. 10/- each and 1,08,70,000 (One Crore Eight Lakhs and Seventy Thousand) 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCRPS) of Rs. 46/- each by creation of additional 1,31,00,000 (One Crore Thirty-One Lakhs) Equity Shares of Rs. 10/- each ranking *paripassu* with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of Members at a General Meeting.

The altered Memorandum of Association will be made available for inspection on receipt of request from Members to the Company through their registered email IDs on kadu.anwaya@mahindra.com any time before and during the Meeting.

The consent of the Members is, therefore, being sought for passing the aforesaid resolution at Item No. 1 of the notice as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way concerned or interested, financially or otherwise, in the said resolution except to the extent of their respective shareholding, if any, in the Company.

Item No. 2

Mr. Ashok Sharma was appointed as Managing Director and Chief Executive Officer of the Company for a period of 5 years with effect from 1st April, 2016 to 31st March, 2021 (both days inclusive) on a consolidated salary of Rs. 59,09,520/- (Rupees Fifty-Nine Lakhs Nine Thousand Five Hundred and Twenty Only) per annum. On 2nd May, 2017 the remuneration of Mr. Ashok

Sharma was revised from a consolidated salary of Rs. 59,09,520/- (Rupees Fifty-Nine Lakhs Nine Thousand Five Hundred and Twenty Only) per annum to a consolidated salary of Rs. 1,42,00,0000/- (One Crore Forty-Two Lakhs Only) per annum for a period of 3 years with effect from 1st April, 2017.

Further, the Members at its Meeting held on 22nd August, 2019 revised the remuneration of Mr. Ashok Sharma from a consolidated salary of Rs. 1,42,00,0000/- (Rupees One Crore Forty-Two Lakhs Only) per annum to a consolidated salary of Rs. 1,70,00,000/- (Rupees One Crore Seventy Lakhs Only) per annum for the residual period of his appointment i.e. upto 31st March, 2021.

The Ministry of Corporate Affairs ("MCA") vide its Circular dated 12th September, 2018, (notified on 13th September, 2018) have relaxed the provisions of Managerial Remuneration. The provisions of these Sections are effective from 12th September, 2018. The provision of Schedule V states that - "For increasing the remuneration or payment of any managerial remuneration, even in case of inadequate or no profits, approval of Central Government is not required and only a Special Resolution of the Members is required, provided that the Company has not defaulted in payment of dues to its lenders viz. banks, non-convertible debenture holders or other secured creditor."

Considering the provisions of Schedule V of the Companies Act, 2013 and the latest amendment and also considering the growth opportunities and future potential of the Business, it is proposed to increase the remuneration of Mr. Ashok Sharma, Managing Director and Chief Executive Officer of the Company.

In accordance with the provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), it is proposed to revise the remuneration of Mr. Ashok Sharma from a consolidated salary of Rs. 1,70,00,000/- (Rupees One Crore Seventy Lakhs Only) to Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum with effect from 1st April, 2020 for the residual period of his appointment i.e. upto 31st March, 2021.

The Board upon the recommendations of Nomination and Remuneration Committee have approved revision in remuneration of Mr. Ashok Sharma with effect from 1st April, 2020 subject to approval of Members.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 2 of the Notice for revision of the remuneration of Mr. Ashok Sharma.

Except Mr. Ashok Sharma, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution except to the extent of their shareholding, if any, in the Company.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

I. General Information:

i) Nature of Industry:

The Company is in the business of dealing in various agri products and commodities like Fruits, Crop Care, Seeds, Potatoes and Dairy.

ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 11th April, 2000 and commenced business activities on 11th April, 2000.

iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

iv) Financial performance based on given indicators as per audited financial results for the year ended 31st March, 2020:

Particulars	Rupees in lakhs
Turnover and Other Income	29,242.17
Profit/(Loss) before tax as per Profit & Loss Account	(1,606.80)
Profit/(Loss) after Tax	(1,918.87)

v) Foreign Investments or collaborators, if any: Not Applicable

II. Information about the appointee:

i) Background details:

Mr. Ashok Sharma has a Bachelor's Degree in Mechanical Engineering from the renowned Veermata Jijabai Technological Institute, Mumbai and has done his Masters in Management Studies from the prestigious Jannalal Bajaj Institute of Management Studies, Mumbai.

He joined the Farm Equipment Sector of Mahindra and Mahindra Limited in 1998 as General Manager Sales and since then has made significant contributions in the areas of Quality, Strategic Planning and Business Excellence. He has played a vital role in expanding and growing Mahindra's Powerol and Agri Businesses.

Prior to joining Mahindra & Mahindra, Mr. Ashok Sharma has held successful leadership positions in various Indian and Multinational corporations like Godrej & Boyce Manufacturing Co., Videocon International, and Daewoo Electronics.

In a career spanning over 29 years, Mr. Sharma has rich experience in various functions like sales, marketing, strategic and business planning and has held various general management functions.

ii) Past remuneration during the financial year ended 31st March, 2020: Rs. 1,70,00,000 (Rupees One Crore Seventy Lakhs Only) per annum.

iii) Recognition or Awards:

iv) Job profile and his suitability:

Taking into consideration Mr. Ashok Sharma's qualification and expertise in relevant fields, he is best suited for the responsibilities of Managing Director and Chief Executive Officer of the Company currently assigned to him by the Board of Directors.

v) Remuneration Proposed: Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum.

vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the prospective operations, business requirements, expertise and work profile of the Mr. Sharma, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level personnel in other companies in the industry.

vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :

Besides the remuneration proposed, the Managing Director and Chief Executive Officer does not have any other pecuniary relationship with the Company or relationship with the key managerial personnel.

III. Other Information:

i) **Reasons of loss or inadequate profits:**

In FY20, your company have posted remarkable recovery over the previous year with significantly improved revenue and EBITDA margins, it has grown by 31%, while cutting down the losses significantly.

Your company's seeds business has been able to improve its topline by more than 100% while halving its EBITDA losses. The R&D investment in seeds is finally starting to bear fruits with the hybrid rice variety, MP3030, getting good market acceptance in the rice growing regions of India. Further, your company has become one of the top players of improved rice in Telangana and Tamil Nadu. Moreover, your company has built a strong presence in the seeds markets by working with better quality dealers, identifying and selling in key territories and through continued thrust on demand generation activities build confidence in Mahindra seeds. These activities combined with a better portfolio, have enabled the company to reduce its core working capital by 164 days.

Your company is a leading exporter of grapes from India. In the current financial year, it has managed to improve its revenue from fruit exports by 41% over FY'19. Though the exports to China have suffered due to current Coronavirus crisis, your company has been able to recover its sales by scaling in new markets like Canada and United Kingdom and working directly with premium retailers in these markets. In the current financial year, your company has operationalized its packhouse and has been able to leverage it to attract new and premium customers as well as find more orders from existing customers.

Your company's dairy business in Madhya Pradesh has been able to scale significantly and has posted 15% more revenue than previous year with the packed milk category having grown by 23% over the last year. However, the business has suffered significant losses due to unprecedented, industry-wide high procurement price owing to milk shortage in the country.

ii) **Steps taken or proposed to be taken for improvement:**

On the Agri inputs side, your Company would be reinforcing its portfolio through launch of new products in seeds businesses. It would be furthering its presence in identified markets and focus on rice varieties in seeds business.

In the fruit exports business, your Company would look to strengthen its presence in non-European markets and establish revenue and margin leaderships through Saboro brand. The Company would also seek to leverage digital to further its brand story of ethical and high-quality fruits on back of a traceable supply chain.

iii) Expected increase in productivity and profits in measurable terms:

Particulars	Rupees in lakhs
Turnover and Other Income	25,000.00
Profit/(Loss) before tax as per Profit & Loss Account	(2,770.00)
Profit/(Loss) after Tax	(2,770.00)

IV. Disclosures:

The following additional information is provided in respect of Mr. Ashok Sharma -

Name	Mr. Ashok Sharma (DIN: 02766679)
Age	56 years
Qualifications	Bachelor's in Mechanical Engineering and Master's in Management Studies
Experience	Prior to joining Mahindra & Mahindra Limited, Mr. Ashok Sharma has held successful leadership positions

	<p>in various Indian and Multinational Corporations like Godrej & Boyce Manufacturing Co., Videocon International and Daewoo Electronics.</p> <p>Currently, he is the President of the rapidly growing portfolio of Agri Businesses as well the entire Automotive and Farm Equipment businesses of the Mahindra Group in Africa and South Asian markets of Sri Lanka, Nepal, Bangladesh and Bhutan.</p>
Terms & conditions of appointment (along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable)	<p>Appointed as the Managing Director and Chief Executive Officer of the Company w.e.f. 01/04/2016</p> <p>Remuneration of Rs. 1,70,00,000 (Rupees One Crore Seventy Lakhs only) per annum is payable in the capacity of Managing Director and Chief Executive Officer of the Company.</p>
Date of first appointment on the Board	06/12/2010
Shareholding in the Company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel (KMPs) of the company	None
The number of Meetings of the Board attended during the year	<p>Two Board Meetings attended during the year. The dates are as follows:</p> <ol style="list-style-type: none"> 1. 11th May, 2020 and 2. 29th July, 2020

<p>Other Directorships, Membership/ Chairmanship Committees of other Boards</p>	<p><u>Details of other Directorships</u></p> <ol style="list-style-type: none"> 1. MeraKisan Private Limited 2. Mahindra EPC Irrigation Limited 3. Mahindra HZPC Private Limited 4. Mahindra Greenyard Private Limited 5. Mahindra Summit Agriscience Limited 6. Origin Fruit Direct Holding B.V. <p><u>Details of other Memberships/Chairmanship of Committees -</u></p> <ol style="list-style-type: none"> 1. <u>Mahindra EPC Irrigation Limited:</u> Corporate Social Responsibility Committee (Chairman), Risk Management Committee (Member) and Stakeholders Relationship Committee (Member) 2. <u>Mahindra HZPC Private Limited:</u> Nomination and Remuneration Committee (Member) and Committee of Directors for Sublicensing (Member) 3. <u>Mahindra Greenyard Private Limited:</u> Nomination and Remuneration Committee (Member)
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By Order of the Board
For Mahindra Agri Solutions Limited



Feroze Baria
Company Secretary
ACS - 11357

Place: Mumbai
Date: 6th August, 2020

Registered Office:
Mahindra Towers, Dr. G. M. Bhosale Marg,
P. K. Kurne Chowk, Worli, Mumbai - 400 018
CIN: U01400MH2000PLC125781
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