

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 2ND/2020-21 EXTRA ORDINARY GENERAL MEETING OF MAHINDRA AGRI SOLUTIONS LIMITED WILL BE HELD AT A SHORTER NOTICE THROUGH VIDEO CONFERENCE (VC) / OTHER AUDIO-VISUAL MEANS ("OAVM") ON FRIDAY, 22ND JANUARY, 2021 AT 10:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY (DEEMED VENUE) TO TRANSACT THE FOLLOWING SPECIAL BUSINESSES:

ITEM NO. 1

Formulation and approval of the "MASL Employee Stock Option Scheme - 2020"

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

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other permissions, consents, sanctions and approval by any authority, as may be necessary, and on the recommendation of Nomination and Remuneration Committee, subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company ("the Board") (which term shall deem to include "Nomination and Remuneration Committee", constituted by the Board to exercise the powers, including the powers conferred by this Resolution), the approval and consent of the Company be accorded to "MASL Employees Stock Option Scheme - 2020" (hereinafter referred to as "MASL ESOP-2020"/"the Scheme/ESOS") as per the draft Scheme presented at the Meeting.

RESOLVED FURTHER THAT the approval and consent of the Members be accorded to the Board, to create, offer and grant from time to time, in one or more tranches, upto 94,17,308 (Ninety Four Lakhs Seventeen Thousand Three Hundred and Eight) Options to or for the benefit of the eligible employees whether they are working in India or abroad or Directors of the Company (including Managing Director/Whole Time Director(s) but excluding Independent Directors) or Directors and Employees of the Holding Company or of the Subsidiary Company(ies) or of the Subsidiaries of its Holding Company under the Scheme, exercisable upto 94,17,308 (Ninety Four Lakhs Seventeen Thousand Three Hundred and Eight) Equity Shares of the face value of Rs. 10/- each fully paid up (hereinafter referred to as "the Securities"), in one or more tranches on such terms and conditions as may be fixed or determined by the Board in accordance with MASL ESOP-2020 and Rules framed in this regard or other

provisions of law as may be prevailing at that time or regulations issued by the relevant authorities.

RESOLVED FURTHER THAT the Board of the Company be authorized to determine all the terms and conditions for the purpose of giving effect to any offer, issue or allotment of Equity Shares to the eligible employees upon exercise of Options from time to time in accordance with MASL ESOP-2020 or allot Equity Shares to a Trust set-up to administer MASL ESOP-2020 and that it may also envisage for providing of any financial assistance to the Trust to enable the Trust to acquire, purchase, subscribe or hold the Equity Shares of the Company for implementation of the Scheme as per applicable laws and further do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such issue(s) or allotment(s) including to amend or modify any of the terms of such issue(s) or allotment(s).

RESOLVED FURTHER THAT the Board be authorised to make any modifications, changes, variations, alterations or revisions in the MASL ESOP-2020, as it may deem fit, from time to time or to suspend, withdraw or revive the MASL ESOP-2020 from time to time in conformity with the provisions of the Companies Act, 2013, rules framed thereunder and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the eligible employees who have been granted Stock Options under the MASL ESOP-2020.

RESOLVED FURTHER THAT to the extent permitted as per the existing provisions of law in this regard, all/any Equity Shares resulting from the conversion of the options to be allotted as an outcome of this Resolution shall, upon allotment, shall rank pari passu with the then existing Equity Shares of the Company in all respects, except that such new Equity Shares will be entitled only to a pro-rata dividend (if any) from the date of allotment till the end of the relevant financial year in which the new Equity Shares are allotted."

ITEM NO. 2

Extend the benefits of "MASL Employees Stock Option Scheme - 2020" ("MASL ESOP - 2020") and grant of options to such person(s) who are in the permanent employment and Directors (including Managing Director/Whole Time Director(s) but excluding Independent Directors) of the Holding Company or of the Subsidiary Company(ies) or of the Subsidiaries of its Holding Company, whether working in India or abroad

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

“RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other permissions, consents, sanctions and approval by any authority, as may be necessary, and on the recommendation of Nomination and Remuneration Committee, subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (“the Board”) (which term shall deem to include “Nomination and Remuneration Committee”, constituted by the Board to exercise the powers, including the powers conferred by this Resolution), consent of the Company be accorded to the Board to extend the benefits of “MASL Employees Stock Option Scheme – 2020” (hereinafter referred to as “MASL ESOP-2020”/“the Scheme/ESOS”) proposed in Resolution No. 1 in this Notice to such eligible employees whether they are working in India or abroad or Directors and Employees of the Holding Company or of the Subsidiary Company(ies) or of the Subsidiaries of its Holding Company under the MASL ESOP – 2020, whether working in India or abroad on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT the Board of the Company be authorized to determine all the terms and conditions for the purpose of giving effect to any offer, issue or allotment of Equity Shares to the eligible employees upon exercise of Options from time to time in accordance with MASL ESOP-2020 or allot Equity Shares to a Trust set-up to administer MASL ESOP-2020 and that it may also envisage for providing of any financial assistance to the Trust to enable the Trust to acquire, purchase, subscribe or hold the Equity Shares of the Company for implementation of the Scheme as per applicable laws and further do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such issue(s) or allotment(s) including to amend or modify any of the terms of such issue(s) or allotment(s).

RESOLVED FURTHER THAT the Board be authorized to make any modifications, changes, variations, alterations or revisions in the MASL ESOP-2020, as it may deem fit, from time to time or to suspend, withdraw or revive the MASL ESOP-2020 from time to time in conformity with the provisions of the Companies Act, 2013, rules framed thereunder and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the eligible employees who have been granted Stock Options under the MASL ESOP-2020.

RESOLVED FURTHER THAT to the extent permitted as per the existing provisions of law in this regard, all/any Equity Shares resulting from the conversion of the options to be allotted as an outcome of this Resolution shall, upon allotment, shall rank pari passu with the then existing Equity Shares of the Company in all respects, except that such new Equity Shares will be entitled only to a pro-rata dividend (if any) from the date of allotment till the end of the relevant financial year in which the new Equity Shares are allotted.”

ITEM NO. 3

**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 on the recommendation of Nomination and Remuneration Committee, subject to such modifications, variations as may be approved, consent of the Members of the Company be and is hereby accorded to revise the remuneration payable to Mr. Ashok Sharma (DIN: 02766679), Managing Director and Chief Executive Officer of the Company, to include the ESOPs to be issued by the Company in addition to his existing consolidated salary of Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum for the residual period of his appointment i.e. upto 31st March, 2021.

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 Managing Director and Chief Executive Officer, 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) be authorised 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 but not limited to executing all necessary applications, agreements, deeds, papers, documents and returns along with filing the requisite e-forms with the 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.”

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, 13th April, 2020, 15th June, 2020, 28th September, 2020 and 31st December, 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.

In compliance with the MCA Circulars and provisions of the Companies Act, 2013 (“the Act”), 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 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:
- i) Members can join the Meeting by clicking on the link provided in the email containing this notice convening the EGM of the Shareholders.

- ii) Members who need IT assistance before or during the EGM can contact Mr. Rohit Mujumdar on 7718873412.

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

Sd/-
Feroze Baria
Company Secretary
ACS:11357

Place: Mumbai

Date: 15th January, 2021

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

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

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

ITEM NOS. 1 AND 2

The Nomination and Remuneration Committee at its Meeting held on 15th December, 2020 accorded its approval and recommended to the Board the formulation of the MASL Employees Stock Option Scheme - 2020 ("MASL ESOP - 2020" or "the Scheme/ESOS") to reward eligible employees whether they are working in India or abroad or Directors of the Company (including Managing Director/Whole Time Director(s) but excluding Independent Directors) or Directors and Employees of the Holding Company or of the Subsidiary Company(ies) or of the Subsidiaries of its Holding Company under the MASL ESOP - 2020, to provide an opportunity to them to participate in the growth of the Company, besides long term wealth creation in their hands.

The objectives of the MASL ESOP - 2020, inter alia, are to retain best talent in the industry and infuse a sense of entrepreneurship and ownership. The objective is also to use the MASL ESOP - 2020 as a business strategy to enhance the Company's overall stakeholder value by providing equity linked incentive to eligible employees, so that the eligible employees keep exploring possibilities of increasing and sustaining the enterprise value.

Accordingly, the Board of Directors of the Company at its Meeting held on 15th December, 2020 approved the introduction of MASL ESOP - 2020 subject to approval of the Members and the provisions of the Companies Act and rules framed in this regard.

The disclosures as required to be made in the Explanatory Statement explaining the salient features of the proposed MASL ESOP - 2020 are given below:

BRIEF TERMS AND CONDITIONS OF MASL EMPLOYEES STOCK OPTION SCHEME - 2020 ("MASL ESOP - 2020")

Sr. No.	Particulars	Details
a.	The total number of stock options to be granted	The maximum number of options to be granted to employees of the Company and the resulting Equity Shares that may be issued pursuant to the exercise of options in the MASL ESOP - 2020 shall not exceed (10%) 94,17,308 (Ninety Four Lakhs Seventeen Thousand Three Hundred

		and Eight) fully paid up Equity Shares of Rs. 10/- each.
b.	Identification of classes of employees entitled to participate in the Employees Stock Option Scheme	The Nomination and Remuneration Committee may grant the options to a Grantee who is either an eligible employee of the Company or the Trust in accordance with the terms and conditions of the MASL ESOP - 2020 for the time being in force.
c.	The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme	The appraisal process for determining the eligibility of the Employee would be specified by the Nomination & Remuneration Committee and would be based on criteria such as the grade of Employee, length of service, performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Nomination & Remuneration in its sole discretion from time to time in line with the criteria mentioned in k below.
d.	The requirements of vesting and period of vesting	The minimum vesting period shall be decided by the Nomination and Remuneration Committee, which shall not be less than one year from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration Committee and as mentioned in the offer of Grant.
e.	The maximum period within which the options shall be vested	The maximum vesting period shall not exceed five years from the date of grant of options.
f.	The exercise price or formula for arriving the same	Exercise Price means the price at which the Employee is entitled to acquire the equity shares pursuant to the options granted and vested in him/her under the Scheme. The Exercise Price per equity share shall be equal to or not less than the face value of the shares and in accordance with the recommendations of the Nomination & Remuneration Committee at the time of grant of options.

g.	The exercise period and process of exercise.	
	(i)	The Options can be exercised as per the provisions outlined in the table below:

CONDITIONS	GRANTED BUT NOT VESTED	VESTED BUT NOT EXERCISED
While in Employment	Time Bound Vesting 33.3% in First & Second Year and 33.4% in Third Year.	Vested options can be exercised within 5 years from the date of vesting.
Death or Incapacitation	Shall Vest in the person/s nominated by the employee in case of death and the employee in case of permanent disability.	Shall be exercised by the nominees/ employees within the period decided by the Nomination and Remuneration Committee, not exceeding 3 years from the date of vesting.
Long Leave (Authorized leave in excess of 6 months)	Suspended during the period of leave.	Exercise all, in accordance with the Scheme.
Termination with Cause/ Dismissal for misconduct	Cancellation of all the options.	Cancellation of all the options.
Termination without Cause	Nomination and Remuneration Committee may decide to cancel all the options.	Nomination and Remuneration Committee may decide to cancel all the options.
Resignation (Voluntary cessation of employment)	Lapse.	Can be exercised prior to leaving the Company as per the Letter of Grant*.
Discharge for reasons other than misconduct	To be decided by the Nomination and Remuneration Committee.	To be decided by the Nomination and Remuneration Committee.
Normal Retirement	All options shall vest in accordance with the vesting schedule as per the Letter of Grant*.	All options shall be exercisable as per the Letter of Grant*.
Early Retirement	Lapse.	All options shall be exercisable as per the Letter of Grant*.

CONDITIONS	GRANTED BUT NOT VESTED	VESTED BUT NOT EXERCISED
Transfers	All options shall vest as per the vesting schedule**.	All options shall be exercisable as per the Letter of Grant**.
Suspended and under Enquiry employees	Shall stand suspended until the enquiry is completed.	Shall not be exercisable until the enquiry is completed.

*Provided that such employee does not engage in any capacity with any competitor company or its subsidiary that such employee has worked with or has been associated with, without the prior written approval of the Company.

**Provided that such employee continues to be in the employment of the respective subsidiary/associate/affiliate/group companies, including holding company on the dates of vesting of options.

(ii)	Subject to the other provisions of the MASL ESOP – 2020, the Participant can exercise the Vested Options within the Exercise Period by paying the Exercise Price to the Company. Such exercise may be of all Vested Options or part of the Vested Options, provided the Participant shall Exercise, subject to the provisions of the MASL ESOP – 2020.
(iii)	The vested options can be exercised in full or in part for a minimum lot of 250 shares and/or balance thereof. No fraction of Vested Option shall be exercisable in its fractional form and should be rounded off to the nearest multiple of one for a valid vesting.
(iv)	Exercise of the Vested Options shall take place in the following manner: 1 st Vesting: to be exercised within 4 years' time 2 nd vesting: to be exercised within 3 years' time. 3 rd Vesting: to be exercised within 2 years' time. Exercise of the Options shall take place by executing such documents as may be required under the applicable laws to pass a valid title to the relevant Shares to the Participant/Beneficiary, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
(v)	An Option shall be deemed to be exercised only when the Nomination and Remuneration Committee receives written or electronic notice of exercise and a confirmation that the Exercise

		Price (in accordance with the Plan) has been received from the Participant/Beneficiary.
	(vi)	On Exercise, the Participant/Beneficiary can subscribe to/ acquire the Shares on the full payment of the Exercise Price and any other sums due to the Company in respect of exercise of the Option ("Aggregate Exercise Price"), and the Company shall allot the Shares to the Participant/ Beneficiary or, if so requested in writing by the Participant/ Beneficiary, to the Participant/ Beneficiary jointly with another person, provided the Nomination and Remuneration Committee/Company find the Exercise form complete and all conditions of the Plan complied with.
	(vii)	The Nomination and Remuneration Committee shall endeavour to ensure that the process of allotment/transfer of Shares to the Participant who has validly exercised his/her Vested Options is completed within one month of the receipt of a valid Exercise Form.
h.	Exit mechanism	<p>The Participant/Beneficiary can exercise the options and continue to hold the stock till the appropriate opportunity to sell the exercised shares either during internal or external *funding rounds. (*subject to prevailing terms & conditions) or post IPO and subject to approval by the Board.</p> <p>In the event MASL does not get PE funding or IPO for a seven-year period from the date of this grant, Company at its own discretion may explore option to provide liquidity to the ESOP holders at fair value.</p> <p>All applicable taxes shall be borne by the employee.</p>
i.	The Lock-in period, if any	Not Applicable.
j.	The maximum number of options to be granted per employee and in aggregate	The maximum number of options to be granted per Employee would not exceed 3,00,000 equity shares of Rs. 10/- each. The aggregate of all such grants shall not exceed 1% of the issued and outstanding equity shares of the Company as on 30 th November, 2020.

k.	The method which the Company shall use to value its options	<p>The Method means the process whereby the Nomination and Remuneration Committee determines the entitlement of the specified Eligible Employees to a specific number of Options in accordance with this ESOP Scheme.</p> <p>The Exercise Price in respect of the Options granted under this Plan shall be determined as under:-</p> <p>Value of the Options will be percentage of CTC as shown below:</p> <p>a) President – 30%</p> <p>b) DL 1 (L2-Executive) – 20%</p> <p>c) DL 2 (L3-Executive) – 15%</p> <p>Value of the grant will be CTC multiplied by the percentage shown above.</p>
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The Company shall comply with the Accounting Standards as may be applicable from time to time.

The copy of the MASL ESOP – 2020 is available for the inspection of the Members during working hours.

None of the Directors, Key Managerial Personnel of the Company and their relatives may be deemed to be interested or concerned financially or otherwise in the Special Resolutions set out except to the extent of securities that may be offered to them under the MASL ESOP – 2020.

The Board recommends the Resolutions as set out at Item Nos. 1 and 2 of the Notice as Special Resolutions for approval by the Members.

ITEM NO. 3

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. The Board at its meeting held on 2nd May, 2017 revised the remuneration of Mr. Ashok Sharma 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/- (Rupees 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.

Subsequently, the Members at its Meeting held on 10th August, 2020 revised the remuneration of Mr. Ashok Sharma from a consolidated salary of Rs. 1,70,00,000/- (Rupees One Crore Seventy Lakhs Only) per annum to a consolidated salary of Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum for the residual period of his appointment.

Since the Company considered the formulation of the MASL Employees Stock Option Scheme - 2020 ("MASL ESOP - 2020" or "the Scheme") to reward eligible employees and Directors of the Company (including Managing Director/Whole Time Director(s) but excluding Independent Directors) it is proposed to revise remuneration of Mr. Ashok Sharma, Managing Director and Chief Executive Officer of the Company, aligning/benchmarking the same with the MASL ESOP - 2020 to be offered to him, as the same was not covered in his remuneration approved by the Members on 10th August, 2020.

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."

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 include the ESOPs to be issued to him in addition to his existing consolidated salary of Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum 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 to include the ESOPs to be issued to him in addition to his existing consolidated salary subject to approval of Members.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 3 of the Notice for revision of the remuneration to include the ESOPs to be issued in addition to his existing consolidated salary.

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 Jambhwal 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 and ESOPs to be issued by the Company in addition to his existing consolidated salary.

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)
Designation	Managing Director and Chief Executive Officer
Age	56 years
Nationality	Indian
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 in various Indian and Multinational Corporations like Godrej & Boyce Manufacturing Co., Videocon International and Daewoo Electronics.

	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.
Terms & conditions of appointment (along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable)	Appointed as the Managing Director and Chief Executive Officer of the Company w.e.f. 01/04/2016 Remuneration of Rs. 2,18,81,000/- (Rupees Two Crores Eighteen Lakhs Eighty-One Thousand Only) per annum is payable in the capacity of Managing Director and Chief Executive Officer of the Company.
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	Four Board Meetings attended during the year. The dates are as follows: 1. 11 th May, 2020 2. 29 th July, 2020 3. 27 th October, 2020 and 4. 15 th December, 2020

Other Directorships, Membership/ Chairmanship of Committees of other Boards	<p><u>Details of other Directorships</u></p> <ol style="list-style-type: none">1. MeraKisan Private Limited2. Mahindra EPC Irrigation Limited3. Mahindra HZPC Private Limited4. Mahindra Greenyard Private Limited5. Mahindra Summit Agriscience Limited6. 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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For Mahindra Agri Solutions Limited

Sd/-
Feroze Baria
Company Secretary
ACS:11357

Place: Mumbai
Date: 15th January, 2021

Registered Office:
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