

Agro Tech Foods Limited

Annual Report 2020-21



Nourishing families, enriching lives.

Agro Tech Foods Limited

BOARD OF DIRECTORS & CORPORATE INFORMATION

Directors

James Patrick Kinnerk @ Chairman
(DIN 08773594)

Denise Lynn Hansen
(DIN 07583110)

Lt Gen D B Singh
(DIN 00239637)

Sanjaya Kulkarni
(DIN 00102575)

Arun Bewoor
(DIN 00024276)

Narendra Ambwani
(DIN 00236658)

Veena Vishindas Gidwani
(DIN 06890544)

Sachin Gopal Managing Director
(DIN 07439079)

Leadership Team

Asheesh Sharma Vice President - Marketing

Dharmesh K Srivastava Vice President – Supply Chain

Gulshan Gandhi Head of Research, Quality & Innovation

KPN Srinivas Chief Financial Officer

Lalit Vij Head of Procurement & Business Development

N Narasimha Rao Sr. Vice President – Human Resources & Corporate Communication *

Padmavathi Tuluva General Manager - Human Resources **

Rikesh Kotwal Head of Sales

Sanjay Srivastava Head of Manufacturing

Company Secretary

Jyoti Chawla

Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Hyderabad

Registered Office

31, Sarojini Devi Road
Secunderabad-500003, Telangana, India
Website : www.atfoods.com
Tel No. :040- 66650240
CIN : L15142TG1986PLC006957

Registrars & Share Transfer Agents

KFin Technologies Private Limited
Selenium Tower B, Plot 31-32,
Gachibowli Financial District, Nanakramguda
Hyderabad-500032, Telangana. Ph : 040-67161606

@ Mr. James Patrick Kinnerk has been appointed as Director and Chairman w.e.f. July 23, 2020.

* Mr. N Narasimha Rao has passed away on May 10, 2021 due to COVID-19.

** Ms. Padmavathi Tuluva Promoted as General Manager Human Resources with effect from June 1, 2021.

NOTICE TO MEMBERS

Notice is hereby given that the **Thirty Forth (34th)** Annual General Meeting of the Members of Agro Tech Foods Limited will be held on Wednesday, **August 18, 2021 at 4.30 p.m.** (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year Ended March 31, 2021, the Consolidated Financial Statements for the said Financial Year and the Report of the Directors and Auditors thereon.
2. To declare a dividend for the Financial Year ended March 31, 2021.
3. To appoint a Director in place of Ms. Denise Lynn Hansen (DIN : 07583110) who retires by rotation and, being eligible, offers herself for reappointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 188, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Sachin Gopal (DIN 07439079) as a Managing Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term of office, i.e., with effect from July 1, 2021 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint Mr. James Patrick Kinnerk, a Director of the Company, who has been appointed in the casual vacancy arising out of the resignation of Ms. Jill Ann Rahman, who vacates office at this ensuing Annual General Meeting and to consider and, if thought fit, to pass with or without modification, the following ORDINARY RESOLUTION of which the prescribed Notice Under Section 160 has been received by the Company. Mr. James Patrick Kinnerk has filed his consent pursuant to the provisions of section 152 of the Companies Act, 2013 to act as Director, if appointed.

"RESOLVED that Mr. James Patrick Kinnerk be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION :

"Resolved that, the Non-Executive Independent Directors of the Company be paid annually, for a period not

exceeding five years, for each of the financial years commencing from April 1, 2021, commission of ₹4,90,000/- individually, as the Board of Directors ('the Board') may determine based on the recommendation of the Nomination and Remuneration Committee, in addition to the fees for attending the meetings of the Board or any Committee thereof, provided however that the aggregate commission paid in a financial year shall not exceed one per cent of the net profits of the Company, computed and referred to in terms of Section 197 of the Companies Act, 2013, or any amendment thereto or re-enactment thereof ('the Act').

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any modification(s) or re-enactment thereof, M/s. Vajralingam & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial year 2021-22, be paid remuneration as set out in the Statement annexed to the Notice convening this Meeting".

NOTES :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company shall be held through VC/OAVM. The deemed venue for the **Thirty Forth AGM** shall be the Registered Office of the Company.
2. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Explanatory Statement in respect of item No. 4, 5, 6 and 7, being items of Special Business, is annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to saravana1015@gmail.com with a copy marked to evoting@kfintech.com

Agro Tech Foods Limited

5. M/s. KFin Technologies Private Limited (KFinTech) will be providing facility for voting through remote e-voting, for participation in the Thirty Forth AGM through VC/OAVM and e-voting during the AGM.
6. Members may join the Thirty Forth AGM through VC/OAVM by following the procedure which shall be kept open for **the Members from 4.15 p.m. i.e. 15 minutes before the time scheduled to start the AGM** and the Company may close the window for joining the VC/OAVM **15 minutes after the scheduled time to start the Thirty Forth AGM**. The detailed instructions for participating in the Thirty Forth AGM through VC/OAVM are given as a separate attachment to this Notice.
7. Members may note that the VC/OAVM provided by KFinTech, allows participation of at least 2000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from August 11, 2021 to August 18, 2021 (both days inclusive). Valid Transfers of Shares received at the office of Registrar and Transfer Agents of the Company, KFinTech, before the close of business hours on August 10, 2021 will be registered in time for the transferees to become eligible for dividend, if declared.
Dividend, if declared, will be paid, subject to deduction of tax at source, within 30 days of the approval of the Shareholders at the Annual General Meeting to those Members entitled thereto and whose names shall appear on the Register of Members of the Company as on the close of business hours of August 10, 2021, or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on the close of business hours of August 10, 2021, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
10. Brief profile of the Directors proposed to be appointed/re-appointed is given towards the end of this Notice pursuant to Regulations 26(4) & 36(3) of the Listing Regulations and Secretarial Standard issued by Institute of Company Secretaries of India. None of the Directors is related to one another.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFinTech, for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website : <https://www.atfoods.com/pdf/other-information/compulsory-dematerialisation-of-shares-detailed-procedure.pdf>
12. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, KFinTech, in case the shares are held by them in physical form.
13. Members are requested to update and/or intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company's Registrars and Transfer Agents, KFinTech, in case the shares are held by them in physical form. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
14. SEBI has directed listed Companies to use electronic payment modes such as NEFT, RTGS, ECS etc., for payments to the investors. Members are requested to update their bank details such as MICR, IFSC code etc., with the Registrar and Transfer Agents, KFinTech by submitting a cancelled cheque, while Members holding shares in electronic form are requested to update such bank details with their respective Depository Participants.
15. Members who have multiple folios in identical names or joint names in the same order are requested to intimate the Registrar and Transfer Agents, KFinTech about these folios to enable consolidation of all such shareholdings into one folio.
16. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
17. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to InvestorRedressal@atfoods.com.
19. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Agro Tech Foods Limited

Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolution proposed to be passed at AGM by electronic means. The detailed instructions for e-voting are given as a separate attachment to this Notice. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on close of business hours of August 10, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place (remote e-voting). **The remote e-voting period will commence at 9.00 A.M. on Saturday, August 14, 2021 and will end at 5.00 P.M. on Tuesday, August 17, 2021.** Members who have cast their vote by remote e-voting prior to the Thirty Forth AGM may also participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. The Members joining the AGM through VC/OAVM, who have not cast their vote by remote e-voting shall be eligible to vote through e-voting system at the e-AGM.

20. The Company has appointed M/s. Tumuluru & Company, Company Secretaries Firm, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 48 hours of conclusion of the AGM, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, and the result of the same will be disclosed forthwith. The Company has appointed M/s. KFin Technologies Private Limited as the Agency for the purpose of facilitating the electronic voting.
21. In compliance with the above referred MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.atfoods.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Company's Registrar and Transfer Agent, KFinTech at <https://evoting.kfintech.com/>
22. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at InvestorRedressal@atfoods.com or to KFinTech at einward.ris@kfintech.com
 - b) Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant.
23. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the

Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in

24. Unclaimed dividend for the financial year ended March 31, 2014 will be due for transfer to IEPF on August 22, 2021, pursuant to the provisions of Section 124 of the Companies Act, 2013. In respect of the said unclaimed dividend, it will not be possible to entertain any claims received by Company's Registrar and Share Transfer Agents, KFinTech, after August 7, 2021.

Details of unclaimed dividend in respect of the financial year ended March 31, 2014 and up to and including the financial year ended March 31, 2020 are available on the Company's website www.atfoods.com under Investor Relations.

The unclaimed shares pertaining to the year 2013-14 will also be transferred to IEPF of the Central Government on or before September 21, 2021.

25. Members are requested to contact KFinTech for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company www.atfoods.com
26. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company (ATFL)/KFinTech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/> by **11:59 p.m. IST on August 10, 2021**. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/>. The aforesaid declarations and documents need to be submitted by the shareholders **by 11:59 p.m. IST on August 10, 2021**.
27. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Agro Tech Foods Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND THE LISTING REGULATIONS

Item No. 4

The Board of Directors of the Company ("the Board"), at its meeting held on April 29, 2021 has, subject to the approval of members, re-appointed Mr. Sachin Gopal (DIN 07439079) as a Managing Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his present term, i.e., with effect from July 1, 2021, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Sachin Gopal as a Managing Director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Sachin Gopal are as under:

(i) Salary :

₹17,19,785/- per month with annual increments (which in accordance with the Rules of the Company is 1st July every year) with liberty to the Board of Directors to sanction any further increase up to a maximum of 25% of above-mentioned amount but within the overall maximum limit of remuneration as mentioned hereinafter, as it may in its absolute discretion, determine.

(ii) Perquisites :

In addition to the aforesaid Salary, Mr. Sachin Gopal shall be entitled to perquisites like medical reimbursement, leave travel allowance, personal accident insurance, driver's salary, performance linked incentive by whatever name called, etc. in accordance with the Rules of the Company, the monetary value of such perquisites being limited to ₹83,01,031/- lakhs per annum, for the purposes of which limit perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit :

- Contribution to Provident Fund and Superannuation Fund up to 27% of basic salary and contribution to Gratuity Fund up to 5% of basic salary as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules there under for this purpose.
- Gratuity at the rate not exceeding half a month's basic salary for each completed year of service, Gratuity payable at the time of retirement/cessation of service.
- Encashment of unavailed leave as per the Rules of the Company at the time of retirement/cessation of service.
- Costs and expenses incurred by the Company in connection with transfer from one location to another as per the Rules of the Company.
- Reimbursement of expenses incurred for business such as travelling, boarding and lodging, provision of car(s) while on business trips and communication expenses incurred for business purpose at residence shall be reimbursed at actuals and not considered as perquisites.

(iii) ESOP: Employees stock options already granted to and vested with Mr. Sachin Gopal in past (as per the existing employee stock option plan of the Company) has not been considered as a part of perquisites value earlier. As such the perquisite value will form part of his total remuneration in the financial year in which he will exercise his employee stock option(s). Moreover, the actual market price of the shares of the Company at which such stock options will be exercised for determining such perquisite value, cannot be determined upfront.

Accordingly, the perquisite value of stock option(s) to be exercised in future at the prevailing stock price at that time shall be in addition to the remuneration under (i) and (ii) above.

(iv) Overall maximum limit of remuneration :

The overall managerial remuneration (including all components of remuneration above and value of employee stock options) payable to Mr. Sachin Gopal shall be such amount as may be fixed by the board of directors from time to time on recommendation of nomination and remuneration committee but not exceeding ₹20 Crore per annum.

(v) Minimum Remuneration :

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of three years of his re-appointment as Managing Director, Mr. Sachin Gopal shall be entitled to a minimum remuneration as detailed herein above in (i), (ii) & (iii) (including the remuneration as may be approved by the board of directors of the Company from time to time) but subject to overall maximum limit fixed as above in (iv). The aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Managing Director, subject to applicable laws and such other approvals as may be necessary.

Mr. Sachin Gopal shall not be liable to retire by rotation during the currency of his tenure as Managing Director.

Subject to the superintendence, control and direction of the Board of Directors, Mr. Sachin Gopal shall manage and conduct the business and affairs of the Company. Mr. Sachin Gopal will not be entitled to any sitting fee for attending Meetings of the Board or of any Committee thereof.

The aforesaid reappointment and remuneration payable to Mr. Sachin Gopal may be further varied, altered or modified, within the overall maximum limit of remuneration as fixed in (iv) above, as may be agreed to by the Board of Directors and Mr. Sachin Gopal, in the light of any amendment/modification of the Companies Act or any re-enactment thereof or any other applicable law as prevailing or in such manner as may be required.

Section 197(1) of the Companies Act, 2013 inter alia provides that subject to the provisions of Schedule V to the Companies Act, 2013, a Company may pay to its Directors, including managing director, whole-time director and manager, remuneration exceeding 11% of net profits of the Company, after complying with the conditions of Schedule V.

Further, the second proviso to Sub-section (1) of Section 197 inter-alia provides that with the approval of shareholders in the General Meeting by way of special resolution, the remuneration payable to any one managing director; or whole-time director

Agro Tech Foods Limited

or manager may exceed five percent of the net profits of the company.

Mr. Sachin Gopal has rich and varied experience in the industry and has been in the Company for more than 14 years. Your Directors consider that it would be appropriate and in the interest of the Company to continue to avail of his considerable expertise and to re-appoint him as Managing Director.

Based on the projections, it appears that the remuneration (including perquisite value of employee stock options, if exercised in future) proposed to be payable to Mr. Sachin Gopal, as determined above may exceed 5% of the net profits of the Company but will be within the overall maximum limit of remuneration as mentioned above. Further, it may be likely that the Company may have a scenario wherein there are inadequacy of profits as per the provisions of the Companies Act during his tenure of re-appointment as Managing Director. Accordingly, as a matter of abundant caution shareholders' approval is also being sought for payment of remuneration as mentioned in (i), (ii), (iii), (iv) and (v) above as per the provisions of Companies Act, 2013.

Accordingly, it is proposed to seek approval of shareholders by way of Special Resolution.

Moreover, it be noted that the total remuneration payable to Mr. Sachin Gopal will also include the perquisite value of stock options granted under Company's Employee Stock Option Plan, if exercised. As mentioned above, the Company has granted the Stock Options to Mr. Sachin Gopal before his appointment as Managing Director and perquisite values of these options will be included in determining the remuneration payable to Mr. Sachin Gopal. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him. In view of the above, the remuneration payable to Mr. Sachin Gopal may exceed the prescribed statutory limit for managerial remuneration under section 197 of Companies Act, 2013. Further, as a matter of abundant caution, pursuant to Schedule V of Companies Act, 2013, that provides the remuneration in excess of the limits for payment of managerial remuneration by Companies in case of loss or inadequacy of profits in any financial year and inter alia, requires members approval for payment of managerial remuneration to the managerial person for a period of not exceeding 3 years by way of special resolution, the Board recommends the resolution for your approval by way of special resolution contained in Item No. 4 of the Notice.

The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The information to be provided to the shareholders, as specified in Schedule V to the Companies Act, 2013 are as below:

I. General Information:		
1.	Nature of industry	The Company is a Fast Moving Consumer Goods (FMCG) Company with focus on food products. The Company manufactures and sells various food products and edible oils.
2.	Date or expected date of commencement of commercial production	The Company was incorporated under Companies Act, 1956 on November 21, 1986.

3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial Performance as per audited financial results for the year ended March 31, 2021: Revenue from operations : ₹8,913.31 Million Other Income: ₹22.59 Million Total Expenditure: ₹8,516.37 Million Net Profit before tax: ₹419.53 Million Profit after tax: ₹303.02 Million
5.	Foreign investments or collaborations, if any :	CAG Tech (Mauritius) Limited is the holding Company and Conagra Brands Inc. is the ultimate holding Company holding 51.77% shareholding of the Company. Foreign Portfolio Investors were together holding 7.61 % of the equity capital of the Company. The Company has formed 100% wholly owned subsidiaries in Bangladesh and Sri Lanka. There are no other collaborations.
II. Information about the Executive / Managing Director		
1.	Background details	Refer brief profile in Annexure - 1
2.	Past remuneration	₹2.50 Crore p.a. plus perquisites & allowances for FY 2020-21.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	The Company has under the executive leadership of Mr. Sachin Gopal has diversified from a high-risk commodity-based Company to transition itself, into being a foods company with sustainable margins. The vision of Best performing Most Respected Foods Company is a way for making a diversified portfolio of a branded Foods Company. Mr. Gopal with his expertise and experience in FMCG sector has brought tremendous value in this transformation and sustainability of the Company.
5.	Remuneration proposed	As mentioned above in the statement pursuant to the provisions of Section 102 of the Companies Act, 2013.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid

Agro Tech Foods Limited

person (in case of expatriates the relevant details would be with respect to the country of his origin)	to similar senior level appointee in other companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any.	Besides the remuneration, stock options granted and 45,672 Equity Shares held in his individual capacity, he does not have any other pecuniary relationship with the Company.
III. OTHER INFORMATION :	
1. Reasons of loss or inadequate profits	<p>The business environment has been increasingly challenging and margins continue to remain under pressure. The rising cost of oils commodity, input cost, labour etc. is seen to be the key challenges.</p> <p>The total remuneration payable to Mr. Sachin Gopal will also include the perquisite value of stock options granted under Company's Employee Stock Option Plan, if exercised. The Company has granted the Stock Options to Mr. Sachin Gopal before his appointment as Managing Director and perquisite values of these options will be included in determining the remuneration payable to Mr. Sachin Gopal. The perquisite value of the Stock Options can be determined precisely, only after the Option holder exercises the Options vested in him. Due to this, the remuneration payable to Mr. Sachin Gopal may exceed the prescribed limits under Section 197 of the Companies Act, 2013.</p> <p>As a matter of abundant caution, the Board of Directors recommends passing a Special Resolution pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto.</p>
2. Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, diversifying portfolio, alongside working on improvements in process and controls. The approach has been to focus on operating leverage, gaining an enhanced customer base as well as new products and strive for growth.
3. Expected increase in productivity and profits in measurable terms	The above measure undertaken is expected to yield positive results in the coming years. The Company is expecting growth in revenue and profitability in coming years.

Details of Mr. Sachin Gopal are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Interest of Directors

Excepting Mr. Sachin Gopal, who is interested in his appointment and the remuneration/minimum remuneration payable to him, no other Director, Key Managerial Personnel or their relatives of your Company is concerned or interested in the said Resolution. This may be treated as his memorandum issued pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors consider that it would be appropriate and desirable to re-appoint him as his experience will be beneficial to the Company. Mr. Sachin Gopal continues to hold office as the Managing Director of the Company. As re-appointment and remuneration are subject to compliance with the requirement of Section 188 and other applicable provisions of the Companies Act, 2013, your Directors recommend passing of the Special Resolution set out in the Notice of the Meeting.

Annexure: 1

BRIEF PROFILE/RESUME OF MR. SACHIN GOPAL

Mr. Sachin Gopal is the Managing Director of your Company. A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad, Sachin Gopal has an accomplished career over the last 30 years in some of the world's leading FMCG companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.

He joined Agro Tech Foods Limited (ATFL) in April 2007 as COO, and took over the role of President and CEO from November 1, 2008. Prior to his association with ATFL, Mr. Sachin Gopal was handling the role of Director-Customer Business Development with Procter & Gamble. Prior to this, he had a long career with Gillette India from 1987 to 2005 and handled significant Sales, Marketing and Business roles such as Group Product Manager, Vice President Marketing and General Sales Director. In his overseas assignments, Sachin handled the roles of Marketing Manager for Gillette Egypt; Group Business Director - Batteries, Duracell Eveready South Africa Pty., Johannesburg S.A and Group Business Manager - Batteries, Gillette Group H.Q. London, U.K. Mr. Sachin Gopal had started his career with Escorts Ltd., where he worked as Senior Marketing officer. He also spent three years with Cadbury where he worked as Product Manager and Regional Sales Manager. His contributions to the Company have been invaluable.

Annexure 2

Details of the Directors seeking variation in terms of remuneration required under Secretarial Standard - 2 on General Meetings

Name of Director	Mr. Sachin Gopal
Designation	Managing Director
DIN	DIN 07439079
Date of Appointment	July 1, 2016
Date of Re-appointment	July 1, 2021
Date of Birth (Age)	January 30, 1960 (61 Years)
Expertise in specific functional area	Sachin Gopal has an accomplished career over the last 30 years in some of the world's leading FMCG

Agro Tech Foods Limited

	companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.
Qualifications	A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad.
Remuneration last drawn	₹2.50 Crore p.a. for FY 2020-21
Number of meetings of the Board attended during the financial year 2020-21	4 Board Meetings (held & attended)
Directorship held in other Companies	Nil
Committee position held in other Companies as on March 31, 2021	Nil
Relationship with other Directors as on March 31, 2021	Nil
No. of equity shares held in the Company as on March 31, 2021	45,672 equity shares of ₹10 each

Item No. 5

Mr. James Patrick Kinnerk was appointed as Director under section 161(4) of the Companies Act, 2013 with effect from July 23, 2020 in the casual vacancy caused by the resignation of Ms. Jill Ann Rahman pursuant to Article 129 of the Articles of Association of the Company and he holds office up to the date of this Annual General Meeting till which, Ms. Jill Ann Rahman in whose vacancy he is appointed would have held office. The nomination and remuneration Committee and the Board of Directors at their Meeting held on April 29, 2021 has recommended the appointment of Mr. James Patrick Kinnerk as a Director of the Company. Mr. James Patrick Kinnerk has given his consent and declaration pursuant to the provisions of Section 152 of the Companies Act, 2013 and the provisions of the Companies (Appointment & Qualification of Directors) Rules, 2014, to act as Director, if appointed.

Interest of Directors :

Mr. James Patrick Kinnerk may be deemed to be interested in the above Resolution in so far as the same relates to him. No other Director, Key Managerial Personnel or their relatives, of your Company is concerned or interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Item No. 6

The Members, at the Annual General Meeting of the Company

held on July 27, 2016, approved payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company not exceeding one per cent of the net profits of the Company as provided under the then Section 309(4) of the Companies Act, 1956, for each financial year, subject to a maximum of ₹3,90,000/-, individually, for a period of five years from April 1, 2016 to March 31, 2021.

In order to bring the remuneration of the Non-Executive Independent Directors in line with the current trends and commensurate with the time devoted and the contribution made by them, the Board of Directors of your Company ('the Board') at their Meeting held on April 29, 2021, recommended for the approval of the Members, payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company for a period of five years from April 1, 2021, as set out in this Special Resolution.

The Non-Executive Independent Directors of your Company may be deemed to be interested in this Special Resolution.

None of the other Directors of your Company are interested in this Special Resolution.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2021-22 at a fee not exceeding ₹1,40,000/- (excluding taxes) and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2021-22.

None of the Directors, Key Managerial Personnel or their relatives, of your Company is concerned or interested in the said Resolution.

Your Directors recommend the Resolution for your approval.

Place : Gurugram
Dated: April 29, 2021

By Order of the Board
for **Agro Tech Foods Limited**
Jyoti Chawla
Company Secretary
ACS 20392

Registered Office :
31, Sarojini Devi Road,
Secunderabad - 500 003
Telangana, India.

Agro Tech Foods Limited

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period will commence at **9.00 A.M. on Saturday, August 14, 2021 and will end at 5.00 P.M. on Tuesday, August 17, 2021.**
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/she is already registered with KFinTech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings (e-AGM) of the Company on KFin system to participate in e-AGM and vote at the AGM.

DETAILS ON STEP 1 ARE MENTIONED BELOW:

- i) **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1. <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. Open URL : https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFinTech. V. On successful selection, you will be redirected to KFinTech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi/Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No.