March 23, 2021

BSE Limited,
Floor 25, P.J. Towers,
Dalal Street,
Mumbai-400001

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East,
Mumbai-400051

Zuari Agro Chemicals Limited
Jai Kisaan Bhawan,
Zuarinagar, Goa-4037236

Dear Sirs,

Subject: Disclosure of reasons for encumbrance by promoter of listed companies.

In terms of SEBI Circular SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 7, 2019, Please find enclosed herewith disclosure in the prescribed format.

Kindly take the above information in your record.

Thanking You,

Yours Faithfully,
For Zuari Agro Chemicals Limited

Vijayamahantesh Khannur
Company Secretary

Encl: As above.

Annexure – 2

Format for disclosure of reasons for encumbrance

(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

Name of listed company	Mangalore Chemicals and Fertilizers Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE Limited, National Stock Exchange of India Limited
Name of the promoter(s) / PACs whose shares have been encumbered	Zuari Agro Chemicals Limited
Total promoter shareholding in the listed company	No. of shares – 6,40,28,362 % of total share capital - 54.03
Encumbered shares as a % of promoter shareholding	88.78 %
Whether encumbered share is 50% or more of promoter shareholding	YES
Whether encumbered share is 20% or more of total share capital	YES

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance 1 (Date of creation of encumbrance: 14/05/2015 & 21/05/2015)	**Encumbrance 2 (Date of creation of encumbrance: 20/07/2018)**	**Encumbrance 3 (Date of creation of encumbrance : 18/12/2020)**	**Encumbrance 4 (Date of creation of encumbrance 18/12/2020**	**Encumbrance 5 (Date of creation of encumbrance 16/3/2021**	**Encumbrance 6 (Date of creation of encumbrance 16/3/2021**	**Encumbrance 7 (Date of creation of encumbrance 16/3/2021**	**Encumbrance 8 (Date of creation of encumbrance 19/3/2021**	**Encumbrance 9 (Date of creation of encumbrance 20/3/2021**	**Encumbrance 10 (Date of creation of encumbrance 22/3/2021**
Type of encumbrance (pledge, lien,		Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge

negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)											
No. and % of shares encumbered		1,51,332 **(please refer Note 1)** 0.13	2,72,95,050 **(Please refer Note 2)** 23.03	65,00,000 **(Please refer Note 3)** 5.48	65,00,000 **(Please refer Note 4)** 5.48	13,30,000 1.12	34,60,000 2.91	18,60,000 1.57	13,00,000 1.10	7150000 6.03	13,00,000 1.10
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	IL & FS Financial Services Ltd	Vistra ITCL India Ltd	Shine Star Build Cap Pvt. Ltd.	Chartered Finance & Leasing Limited	Radhamani India Ltd	Sanwaria Marketing Pvt. Ltd.	Basukinath Developers Private Limited	Bhansali Fincom Pvt Ltd	KLJ Plasticizers Ltd	InfoSoft Global Pvt Ltd
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide	Yes.	Corporate Trustee, Public Company Vistra ITCL (India) Limited provides non-banking financial services. The Company offers trustee services, such as debentures and bonds, private equity, alternate funds, and bank lending, as well as corporate formation	Yes	Yes	NBFC	NBFC	NBFC	NBFC	NBFC	NBFC

	the nature of the business of the entity.		and market entry, due diligence, enforcement, and monitoring services to banks, financial institutions, corporates, funds, governments, and insurance companies.								
	Names of all other entities in the agreement Listed company and its group companies (if any) – 1. 2. ... Other entities (if any) – 1. 2. ...	Erstwhile subsidiary - Zuari Fertilisers and Chemicals Limited Refer Note 1	-			-	-	-	-	-	-
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the	No	No	No.	No.	No	No	No	No	No	No

	instrument , including credit rating YES / NO : No If yes, 1. Name of the issuer 2. Details of the debt instrument 3.Whether the debt instrument is listed on stock exchanges ? 4. Credit Rating of the debt instrument 5. ISIN of the instrument											
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	Rs. 748857808.75	Rs. 697381264.25	Rs. 1815094390.2	Rs. 39,19,50,000	Rs. 39,19,50,000	Rs. 10,83,95,000	Rs.28,19,90,000	Rs. 15,15,90,000	Rs.9,97,75,000	Rs.54,34,00,00,000	Rs.10,16,60,000
	Amount involved (against which shares have been encumbered) (B)	Rs. 150,00,00,000	Rs. 150,00,00,000	Rs. 185,00,00,000	Rs. 17,50,00,000	Rs. 17,50,00,000	Rs.5,00,00,000	Rs.13,00,00,000	Rs.7,00,00,000	Rs.5,00,00,000	Rs.25,00,00,000	Rs.5,00,00,000
	Ratio of A / B	0.49	0.46	0.98	2.24	2.24	2.16	2.17	2.16	2.00	217.36	2.03

End use of money	Borrowed amount to be utilized for what purpose – (a) Personal use by promoters and PACs (b) For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	Pledge was created in favour of IL & FS Financial Services Ltd for securing the Rupee term loan of Rs. 150 crore given by IL & FS Financial Services Ltd. The loan was taken to part finance purchase consideration of upto 4,33,29,000 shares of Mangalore Chemicals & Fertilizers Limited. The loan has been repaid. **Refer Note 1**	Pledge was created in favour of Vistra ITCL (India) Limited, Security Trustees, for securing the Rupee Term Loan of INR 185 crores given by HDFC Limited.	Pledge was created in favour of Shine Star Build- Cap Pvt. Ltd. to secure loan of Rs. 17.50 crores availed by ZACL from Shine Star Build - Cap Private Limited. The loan was availed for general corporate purpose.	Pledge was created in favour of Chartered Finance & Leasing Limited to secure loan of Rs. 17.50 crores availed by ZACL from Chartered Finance & Leasing Limited. The loan was availed for general corporate purpose	Pledge was created in favour of Radhamani India Ltd to secure loan of Rs. 5 crores availed by the Company from Radhamani India Ltd The loan has been borrowed for the purpose of working capital requirement of the Company	Pledge was created in favour of Sanwaria Marketing Pvt. Ltd. to secure loan of Rs.13 crores availed by the Company from Sanwaria Marketing Pvt. Ltd. The loan has been borrowed for the purpose of working capital requirement of the Company	Pledge was created in favour of Basukinath Developers Private Limited to secure Ioan of Rs. 7 crores availed by the Company from Basukinath Developers Private Limited The loan has been borrowed for the purpose of working capital requirement of the Company	Pledge is created in favour of Bhansali Fincom Pvt to secure loan of Rs. 5 crores availed by the Company from Bhansali Fincom Pvt Ltd. The loan has been borrowed for the purpose of working capital requirement of the Company.	Pledge is created in favour of KLJ Plasticizers Ltd to secure loan of Rs. 25 crores availed by the Company from KLJ Plasticizers Ltd The loan has been borrowed for the purpose of working capital requirement of the Company.	Pledge is created in favour of InfoSoft Global Pvt Ltd to secure loan of Rs. 5 crores availed by the Company from InfoSoft Global Pvt Ltd The loan has been borrowed for the purpose of working capital requirement of the Company.

Note 1 :
The National Company Law Tribunal, vide an order dated September 14, 2017, sanctioned the Scheme of Amalgamation amongst Zuari Fertilisers and Chemicals Limited, Zuari Agri Sciences Limited and Zuari Speciality Fertilisers Limited (together the "Erstwhile Subsidiaries") and their respective shareholders and creditors, under Section 391 to 394 of the Companies Act, 1956. Pursuant to the Scheme of Amalgamation, the Erstwhile Subsidiaries were amalgamated with our Company with effect from November 13, 2017. The appointed date for the Scheme of Amalgamation was April 1, 2015.In terms of the scheme, 6,28,43,211 equity shares of Rs. 10 each of MCFL which were held by Zuari Fertilisers and Chemicals Limited were acquired by Zuari Agro Chemicals Limited as of the effective date i.e. 13, November, 2017 as per Reg 10(1)(d)(iii) of SEBI (Substantial Acquisition of Shares & Takeover)Regulation, 2011.

Pledge was created on 14/05/2015 and 21/05/2015 on 97,57,105 shares i.e. 8.23% of paid up capital and on 1,16,32,715 shares i.e. 9.82% of paid up capital resp. of Mangalore Chemicals & Fertilizers Limited by erstwhile subsidiary i.e Zuari Fertilisers and Chemicals Limited in favour of IL & FS Financial Services Limited. On 6/03/2018 out of 2,13,89,820 pledged shares, 2,12,38,488 shares were released by IL & FS Financial Services Limited upon repayment of loan.

Note 2
Out of 6,38,77,030 shares of MCFL pledged by ZACL in favour of Vistra ITCL India Ltd (Security Trustee), 3,65,81,980 shares has been released by Vistra ITCL India Ltd (Security Trustee).

Note 3
Out of 90,00,000 shares of MCFL Pledged in favour of Shine Star Build Cap Pvt. Ltd by ZACL on 18/12/2020, 25,00,000 shares of MCFL has been released by Shine Star Build Cap Pvt. Ltd. on 24/02/2021

Note 4
Out of 90,00,000 shares of MCFL Pledged in favour of Chartered Finance & Leasing Limited by ZACL on 18/12/2020, 25,00,000 shares of MCFL has been released by Chartered Finance & Leasing Limited on 24/02/2021

For Zuari Agro Chemicals Limited



Vijayamahantesh Khannur
Company Secretary

Place: Bengaluru
Date: 23.03.2021