

April 22, 2020

BSE Limited
Floor 25, P.J. Towers
Dalal Street
Mumbai 400 001 Bandra (E)

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex
Mumbai 400 051

Sub: Disclosure under Regulation 30 (2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Dear Sir

This is with reference to the disclosures made on June 8, 2018 and February 18, 2020, wherein we had informed you about the disputes between Zuari Agro Chemicals Limited ("the Company") and Mitsubishi Corporation, Japan ("Mitsubishi") in respect of its JV Company MCA Phosphates Pte. Ltd. ("MCAP"), initiation of arbitration proceedings against Mitsubishi by the Company and subsequently, of the Partial Award passed by the Arbitral Tribunal in those proceedings.

In continuation of the said disclosures, we would like to inform you that the Company and Mitsubishi, through their lawyers, had entered into a stipulation and agreement on 27 March 2020, in respect of allocation of costs of arbitration proceedings. In terms of the said agreement, the Company and Mitsubishi inter alia agreed that:

- Company and Mitsubishi will bear their own costs in respect of the arbitration proceedings as well as the proceedings before the Singapore High Court, except that Company will reimburse Mitsubishi USD 216,900 for the fee paid by Mitsubishi towards the arbitration proceedings to the ICC.
- Within 15 days of the Final Award passed by the Arbitral Tribunal, Company will transfer its 21,690,000 shares in MCAP to Mitsubishi for USD 216,900 in response to Mitsubishi's exercise of its Call Option under the Shareholders' Agreement.



ZUARI AGRO CHEMICALS LIMITED

CIN No.: L65910GA2009PLC006177

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- Given that both Mitsubishi and Zuari owed each other USD 216,900, as stated above, these amounts shall be set off against each other without the need for any Party to make an actual payment to each other;
- In case of any reimbursement of fee by ICC, Company and Mitsubishi would receive 85% and 15% respectively of such reimbursed fee;
- The Phosphate Purchase Agreement between the Company and Mitsubishi will stand terminated.

The Company and Mitsubishi have also requested the Arbitral Tribunal to pass the Final Award in terms of the above stipulation and agreement, which is yet to passed.

The delay in making this disclosure is on account of lockdown imposed by the Govt. of India due to COVID-19 pandemic.

We will keep you posted on any further developments.

This disclosure, being material, is made pursuant to Regulation 30(2) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and records.

Thanking you,
Yours faithfully,

For Zuari Agro Chemicals Limited



Vijayamahantesh Khannur
Company Secretary

