

Agro Tech Foods Limited

28th August, 2024

The Manager,
BSE Limited,
Floor 25, Pheroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Ph. No. 022- 22721233 / 22721234
Fax No. 022-22723121 / 22721072

The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051.
Ph. No. 022- 26598100 / 26598101
Fax No. 022-26598237 / 26598238

Codes: BSE Scrip code 500215, Co. code 1311
NSE Symbol ATFL, Series EQ-Rolling Settlement

Dear Sir,

Sub: Outcome of Board Meeting

Ref: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Pursuant to Regulation 30 read with Part A of Schedule III of Listing Regulations, we wish to inform you that the Board of Directors of Agro Tech Foods Limited (the “Company”) at their meeting held today, i.e., on Wednesday, 28th August, 2024, has, inter alia, transacted the following business items:

Change in Control of the Company

1. Pursuant to previously submitted Public Announcement of Open Offer made on the 29th February, 2024 and a copy of Detailed Public Statement made on 7th March, 2024, the Board has taken note of the Change in Control of Agro Tech Foods Limited (“Company”) pursuant to indirect acquisition of the Company by Zest Holding Investments Limited. Pursuant to the change in control of CAG-Tech (Mauritius) Limited (Promoter of the Company), whereby 100% of the issued and paid-up share capital of CAG-Tech (Mauritius) Limited is held by Zest Holding Investments Limited, by virtue of same Zest Holding Investments Limited now indirectly holds 1,26,16,619 equity shares constituting 51.77% of the paid-up equity share capital of the Company on a fully diluted basis and has acquired control over the Company.

A copy of Press Release of the Company in this regard is enclosed as **Annexure A**.

Approval for execution of the License Agreement

2. The Board has considered and accorded it approval to execute the new license agreement between the Company and Conagra Foods RDM, LLC (*formerly ConAgra Foods RDM, Inc.*) (“Licensor”) (“License Agreement”), whereby the Licensor will grant to the Company, an exclusive and perpetual right and license to use the licensed trademarks i.e. Act-II and Act-II Logo, in the licensed territories, in supersession of the existing license arrangements between the Licensor and the Company in accordance with the terms contemplated under the License Agreement.

Approval for termination of the existing Agro Tech Employee Stock Option Plan

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3. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors considered and approved the termination of the existing Agro Tech Employee Stock Option Plan of 2012, (as modified in 2015 and 2022) subject to completing all formalities as required under applicable laws and regulations.

Approval of Employee Stock Option Plan (“ESOP”)

4. Reference to our previously submitted letter dated 23 August, 2024, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors considered and approved the formulation of “Agro Tech Foods Limited Employee Stock Plan 2024 (ATFOODS ESOP 2024)”, in terms of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 subject to approval of the shareholders of the Company and such other regulatory / statutory approvals as may be necessary. The same will be obtained separately.

Details as required under Regulation 30 of the Listing Regulations read with SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023 is attached herewith as **Annexure – B**.

The Board meeting commenced at 10.30 a.m. and concluded at 11.40 a.m.

You are requested to kindly take note of the same.

Thanking you,

Yours faithfully
For Agro Tech Foods Limited

JYOTI CHAWLA
Company Secretary & Compliance Officer

Encl..

Annexure A

PRESS RELEASE

Gurgaon, August 28, 2024: Agro Tech Foods Limited (“ATFL” or “Company”) had filed with the exchanges on February 29th, 2024 an intimation from its promoter about a transaction in its promoter entity, which would result in a change of control of the Company upon completion. ATFL is pleased to confirm that this transaction has been completed and noted by the board of ATFL in its meeting held on 28th August 2024 by way of a reconstitution of the board of directors of the Company. Conagra Brands (“Conagra”) has exited its shareholding in the Company by completely exiting the promoter entity of the Company, and funds advised by Convergent Finance and Samara Capital have become the sole shareholders in the promoter entity of ATFL.

Conagra became a controlling shareholder of ATFL in 2011, after which ATFL accelerated the growth of its food portfolio, including ACT II popcorn and Sundrop foods. These two iconic brands are leaders in their respective categories and offer a basket of products for both in-home and out-of-home consumption. Conagra has agreed to continue the perpetual and exclusive license for the ACT II brand in India with ATFL and ATFL will exclusively continue to use the ACT II brand in India.

Asheesh Kumar Sharma, the MD and CEO of ATFL, said, “We are excited to embark on this new journey of growth for our category defining brands which have been beloved household names for decades. We value our association with Conagra and are happy that our association continues with a perpetual and exclusive license for the Act II Brand in India. ATFL will continue to grow with a sharper focus on improving profitability improvement and value creation for all stakeholders.”

“Conagra has had an ownership stake in ATFL for several decades and we’ve enjoyed seeing the business grow,” said Paul Hogan, president of International for Conagra Brands. “We are confident that the business will continue to thrive by offering quality products to its customers and consumers.”

Sr. No.	Particulars	Details
1.	Brief details of options granted	<p>Currently, no grants are being made under this Plan since the Plan is subject to approval of Shareholders.</p> <p>However, On the recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have approved the formulation of “Agro Tech Foods Limited Employee Stock Option Plan 2024”, with the authority to grant not exceeding 20,00,000 (Twenty Lakhs Only) employee stock options to such Eligible Employees of the Company and its subsidiaries as may be determined by the NRC (also designated as Compensation Committee), in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 20,00,000 (Twenty Lakh Only) equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up, subject to approval of the shareholders of the Company and such other regulatory/statutory approvals as may be necessary.</p>
2.	Whether the scheme is in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (if applicable)	Yes
3.	Total number of shares covered by these options	20,00,000 [Twenty Lakhs] Options exercisable into not more than 20,00,000 [Twenty Lakhs] equity shares of face value of Rs.10/- (Rupee Ten Only) each fully paid-up.
4.	Pricing Formula	<p>The Initial Lot of Options will be granted at a discount of upto 50% of prevailing market price (“initial issue price”), subject to final approval of the scheme by the Shareholders.</p> <p>The Exercise Price for future grants (i.e. other than the Initial Lot of Options) shall be determined by the NRC at the time of Grant and such price per Option shall not be less than initial issue price. Options that will be granted by the NRC on or before 1 year from the approval of the Scheme by the shareholders of the Company at a duly convened shareholders’ meeting, will comprise the ‘Initial Lot of Options.’</p>

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5.	Options Vested	Nil
6.	Time within which options may be exercised	<p>The Options granted under the Scheme shall Vest over a maximum period of upto 5 (five) years from the date of Grant, in one or more tranches.</p> <p>All Vested Options shall be respectively Exercised in one or more tranches within the Exercise Period being a period of five years from the date of Vesting of Options.</p>
7.	Options exercised	Nil
8.	Money realized by exercise of options	Nil
9.	The total number of shares arising as a result of exercise of option	Nil
10.	Options lapsed	Nil
11.	Variation of terms of options	NRC may make modifications, changes, variations, alterations or revisions in the Plan as it may deem fit, from time to time in its sole and absolute discretion, not unfavourable or prejudicial to the allottees under the Plan except due to change in laws/regulations, and in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SBEB Regulations and any other applicable laws
12.	Brief details of significant terms	All the options granted on any date shall not vest earlier than minimum period of 1 (One) year and not later than a maximum period of 5 (Five) years from the date of grant of respective options.
13.	Subsequent changes or cancellation or exercise of such options	Not Applicable
14.	Diluted earnings per share pursuant to issue of equity shares on exercise of options	Not Applicable