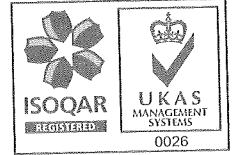


MEGHMANI ORGANICS LIMITED



CORPORATE OFFICE: "MEGHMANI HOUSE", Behind Safal Profitaire, Corporate Road, Prahladnagar, Ahmedabad-380 015. Gujarat, (INDIA) Phone No.: +91 79 71761000, 29709600 Fax: +91 79 - 29709605 E-mail: helpdesk@meghmani.com Site: www.meghmani.com CIN: L24110GJ1995PLC024052



28/05/2020

To, National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) <u>Mumbai 400 051</u> SCRIP CODE: MEGH.NS	To, Bombay Stock Exchange Limited Floor- 25, P J Tower, Dalal Street, <u>Mumbai 400 001</u> SCRIP CODE: 532865
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Dear Sir

Sub:- Impact of draft order by Ministry of Agriculture to ban 27 Agrochemical products

Ref:- Information under Regulation 30 of Listing Regulations, 2015

Dear Sir,

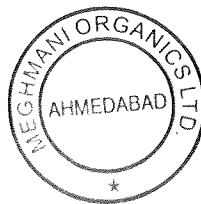
Meghmani Organics Limited pursuant to Regulation 30 of Listing Regulations, 2015 submits Impact of draft order by Ministry of Agriculture to ban 27 Agrochemical products as per the detailed note attached herewith.

Kindly take the announcement on record and place it for the information of Shareholders and Members.

Yours faithfully,
For Meghmani Organics Limited

K D Mehta

K D Mehta
Company Secretary



Encl: - As above

Singapore Exchange Securities Trading Limited
Shenton Way,
SGX Tower 1,
Singapore



IMPACT OF PROPOSED BAN ON 27 PESTICIDES BY MINISTRY OF AGRICULTURE

Ministry of Agriculture has proposed to ban (import, manufacture, sale, transport, distribute and use) 27 Pesticides (12 Insecticides, 7 Herbicides, 8 Fungicides) via its draft notification dated 14th May, 2020. Out of these products few are banned, restricted or withdrawn for use in other countries but currently are registered for domestic use in India. These molecules command significant share of consumption in India and the domestic companies also have global competitiveness in most of these chemistries.

The draft notification indicates that the key reason for this order is lack of submission of complete data relating to studies on bio-efficacy, toxicity, residue, resistance, etc. The order has provided 45 days timeline to the industry to respond.

The Impact of the Said Notification on MOL

The Proposed ban would possibly affect Products 2,4-D and Chlorpyrifos. The revenue contribution of these products in the FY 2019-20 was around 12%-15%, and 80% to 85% of the revenue is from exports. Since the Company has planned expansion in this product category, the revenue is expected to go up to 20% post Capex in the coming year/s

The Industry Stand

The entire AgroChemical industry is painfully surprised with this unilateral notification which not only has jeopardized the Industry economics but is against the Govt.'s own initiative of Make in India. The Trade and the Industry, collectively, has been keenly studying this Notification and working to fall in line to submit every possible data point to ensure that the said notification is nullified in its effect

The said order has generated diverse views: (a) One view was that the data collection from the industry for these 27 molecules should been done in more amicable ways; in absence of this, the outcome was shocking for the industry players. (b) Second view was that the current notification is the outcome of heavy MNC lobbying.

Logically, there are several contentions in favour of the entire Agro Chemical Industry which are tenable. The Trade and Industry Association leaders well supported by every member is in process of preparing convincing representations besides the legal recourse to challenge the said unilateral notification.

As we make more progress on this will revert with further update

Shuchit

