

July 18, 2016

The Chairman
Goa State Pollution control Board
Patto-Panaji-Goa -403001

Sub: : Public Hearing- Zuari Agro Chemicals Ltd- Reply to company response dated 18.07.16

Sir,

At the outset, I wish to point out the the company has not responded to letter dated 15.04.15, which is part of my letter dated 07.07.16 addressed to you. This itself is a major discrepancy

1. The underground pipeline laid into the sea for discharge of effluent should be closed and sealed.

The reproduction of a para of the High Court order does not address the issues raised.

Consider the following facts:

- a. The company has not disputed the existence of the pipeline
- b. The consent to operate granted by the Goa State Pollution Control Board (GSPCB) clearly state that in upset conditions the industrial effluent shall be stored in an impervious holding pond of sufficient capacity and shall be reused in the plant and shall meet certain conditions if discharged into the sea, and that too with the prior approval of the Board.
- c. The company has not denied that effluents are being clandestinely discharged into the sea.
- d. The company did not deny the claim of the GSPCB that the effluent is not entirely recycled, recovered, consumed consumed spray evaporated.
- e. The company has never sought prior approval from the GSPCB to discharge effluents into the sea.
- f. The company claims that final effluent discharge pipeline is being continuous monitored by means of provisions of a camera /flow meter. The monitoring is done on real time basis as these are hooked upto the server/system

All the above fact show that the company is doing what it is not supposed to do. The company has been claiming that it adopts a zero discharge policy. The fact that the company did not deny the the effluent was discharged into the sea and the fact the no prior approval was obtained from the GSPCB suggest that the company illegally discharged effluent into the sea. It will not be known if the effluent was treated. If a camera and flow meter are used to monitor discharge into the pipeline, why didn't these instruments detect the discharge of effluents that were detected during inspection by the GSPCB?

The company should respond to sr no (d) on page 2 of my letter.

2. Provide the capacity of the holding ponds, settling tanks and guard pond.

The water consumption per day is 9570 m³/ day. According to the information provided by the company the capacity of the pond and tanks is 1850 m³.

The following questions which were raised in my letter dated 15.04.15 arise:

- a. Will the consumption of water, per cubic meter, per day, for each process/cooling be more than 10135 M³/day when the production exceeds the installed capacity?
 - b. What happens to the water when the plant is shut down? Does the company have the capacity to hold 10135 M³ of water?
 - c. What happens to the water when the urea plant is running and the NPK plants are shut down? The water cannot be recycled so where does it go.
 - d. The NPK plants do not always run for 24 hours. How is the water to be recycled held? Does the company have the capacity to hold that much water?
 - e. What happens when the urea plant is shut down and the NPK plants are running? Where does the water come from? What about the effluents from the NPK plants, how is it dealt with?
 - f. Were the officials of the GSPCB ever present when the plant was being shut down?
3. Are continuous monitoring systems (CEMS) installed for all the process stacks and since when (provide the number of stacks and process).
- The chart provided by the company shows that out of the nine stacks, one was completed on 15.07.13, one on 31.05.13, four are on trial run and three are "on order". The statistics provided reveals a very sad state of affairs. These stacks should have been installed years ago. At the public hearing a resident was speaking about the smell of ammonia and how it was affecting their lives. The company has no concern about the environment and the people.
4. How many borewell are existing and whether permission have been obtained from the concerned authorities. Furnish the reference /date of the approvals and the authority which granted them.
- The company admitted that it had borewells earlier. The GSPCB should investigate if permissions had been obtained earlier.
5. Sr.no.2.1 of Form I under the head activity (prefeasibility report and proposed TOR) states that Zuari Agro Chemicals Ltd has its own undeveloped land earmarked for expansion activities.
- The reply of the company is evasive. I wish to point out that at the public hearing the company responded that the question related to the title of the land cannot be part of the public hearing. The undersigned pointed out that sr no 4.2 of the pre feasibility report refers to the land form, land use and land ownership.

The Form requires the information with regard to the quantities, rates and source of information data to be given. The company has not provided the information.

In the pre feasibility report (Sr no 8 -Form I) the company refers to plot nos 110 to 252 where as in the reply it refers to Survey nos 157 to 163. Why identify the land differently.

The company claims that it has title and ownership over the properties it received pursuant to the demerger and the company has completed mutation of the same.

A request was made for the authority before which the title deeds are registered along with date of registration and references nos of registration /mutation. The company should be directed to provide the same. If the references are provided the undersigned can obtain the information under the RTI act.

A request was made for the land use and land cover area of the 471 hectares of land i.e classified as Waste land , Agricultural land , Water bodies, Vegetation cover , Habitation & Others. The actual area should be provided. The company has not provided the information.

The rant of the company against the undersigned is unwarranted. I can produce loads of evidence that the company is not a good corporate citizen. For one piece of evidence kindly refer to letter dated 28.06.11 from the Registrar of companies to the Department of fertilizers suggesting illegal claim of fertilizer subsidy. The company has been raising such issues before all mentioned in their reply. Kindly refer to my letter dated 11.06.14, which addresses such issues raised by the company.

Kindly examine the issues raised above and provide the information requested. Kindly make this letter along with the annexures part of the public hearing report.



R.G.Furtado
F3/A1, Virginkar Residency
Ambaji, Fatorda-Goa.
Email-gfurtado@rediffmail.com
Mobile: 9850493557

email sent on 18.7.16



भारत सरकार

GOVT OF INDIA

कार्पोरेट कार्य मंत्रालय

MINISTRY OF CORPORATE AFFAIRS

कंपनी रजिस्ट्रार का कार्यालय गोवा, दमन, एवं दीव
OFFICE OF THE REGISTRAR OF COMPANIES GOA, DAMAN & DIU

कार्पोरेट भवन, ई डी सी कॉम्प्लेक्स
CORPORATE BHAWAN, E.D.C COMPLEX,

प्लॉट नं. 21, पट्टो, पंजीम, गोवा-403001

PLOT NO -21, PATTO, PANAJI, GOA-403001

No:-ROCG/209A/ZIL/182 .

Date: 28 JUN 2011

To
The Secretary of the Government of India,
Department of Fertilisers,
Room No. 221, A- Wing,
Shastri Bhavan
New Delhi-110001

Sub: Inspection of M/s Zuari Industries Limited u/s 209A of the
Companies Act, 1956-follow up action.

Sir,


With reference to the subject cited, I am directed to forward the following relevant extract of the inspection report of M/s Zuari Industries Limited carried out by the undersigned under section 209A of the Companies Act, 1956 for examination and action as deemed fit in the matter.

1. Production exceeding licensed capacity.

Company was found that during 2004-05 to 2008-09 it has exceeded its licensed capacity.

2. Illegal claim of fertilizer subsidiary.

Yours Faithfully,


27/6/11

(संजय कुमार गुप्ता)

(SANJAY KUMAR GUPTA)

रजिस्ट्रार ऑफ कंपनीज

गोवा, दमन, एवं दीव

0832-2438617/18

Encl: As Above

27/6/11 कर/प्र

ROC/ZGL/AGM 2012-13/20

COPY

June 11, 2014

The Registrar of Companies
Company Law Board
EDC Complex, Plot No. 21
Patto, Panaji-Goa 403001

Sir,

Subject: Zuari Global Ltd -AGM queries 2012-13-

I refer to your letter ROCGDD/Complaint/rgf/455 dated 06.06.14, requesting for my comments on the reply of the company dated 15.05.14.

At the outset, I wish to state that the issue is whether the company should provide the additional information in respect of the financial statements. Instead of responding to the specific issues that arise for consideration, the company stumbles from one irrelevant issue to another, and the reply is couched by generalities and frivolous assertions, like the undersigned is trying to manipulate the thought process of the authorities.

With regard to the submissions of the company, my comments are as under:

1. The company objected to my statement that , not only is the company required to furnish the information but the MCA should also carry out an investigation, into the affairs of the company , stating that it is an instigatory tactic to deceive the mind of the reader into according some significance to the complaint. The company has objected to my statement without responding to any of the specific reasons furnished to justify my request for information in respect of the financial statements. Their silence establishes the factual issues stated in the reply. Instead of delving on the issues raised they are accusing me of filing frivolous complaints. The company should be reminded that based on my complaints, the MCA conducted inspections under section 209A of the Companies Act, 1956 and detected various irregularities including fraud in the claim of fertilizer subsidy, imprudent investments in promoter group companies and other irregularities mentioned at Sr.No.10 of my reply dated 07.04.14.
On numerous occasions the undersigned has been informed by the office of the ROC that there is substance in my complaints. Your office has by letter ROCGDD/Complaint/Zuari/RGF/1689 dated 26.03.13, informed the Regional Director-West, that in view of the nature of the allegations the companies may be considered for inspection under section 209A of the companies Act 1956, by the inspecting officer of the directorate.
2. The company complained that it has been continuously responding to all queries of the shareholder, including those sent to the Registrar of companies, SEBI, Stock exchanges, etc and that the company receives the same letter through different sources. The complaints sent to SEBI and Stock exchanges relate to issues regulated by them. For example the subject matter of my complaint to the NSE is as under:

- a. Suspected tampering of database by the stock exchanges to facilitate the name of Zuari Holding Ltd to be changed to Zuari Agro Chemicals Ltd after considering the submission made in annexure 1.
- b. The circuitous route taken by the companies to demerge the fertilizer unit into ZHL, and then interchanging the name, instead of retaining the fertilizer unit in ZIL and merging other business in ZHL.
- c. Whether the scheme of arrangement of Bajaj Auto Ltd violated the provisions of any securities law/stock exchange requirements as requested in my complaint.
- d. Fraudulent preferential allotment and listing of 12617402 equity shares allotted by an unlisted company ZHL(now ZACL) , to Zuari Industries Ltd (now ZGL) and its subsidiary Zuari Management Services Ltd(ZMSL) @ Rs. 10, resulting in an unlawful notional gain of around Rs.467 crores to the promoters on the day the shares of ZHL were initially listed. These shares were not allotted pursuant to the scheme of demerger.
- e. Whether the scheme of demerger is a manipulative and deceptive device, which substantially increased the control of the promoters and promoter group in the fertilizer business.

The subject matter of my complaints to SEBI is with regard to insider trading, fraudulent submissions by the promoter in respect of the insider trading case, corporate governance issues etc. Most of the issues before these authorities were not examined by the ROC/MCA

There are some other issues that are raised with the Company and the ROC. As information is not forthcoming from the Company or the issues are not being examined by the by the ROC /MCA, the undersigned takes up the matter with other regulators under whose purview the matter fall. A case in point is the information sought from the company by letter dated 13.12.11, in respect of OSI Ltd, a non resident shareholder and Globalware Holding Ltd , an overseas corporate body belonging to the promoter group. The same letter was filed with the ROC on 17.12.11, with a request to examine the same. The company did not respond to the undersigned but furnished a reply to the ROC on 01.06.12. Since the replies were unsatisfactory the ROC sought further information from the company. Nothing has been heard till date. I am now considering raising the issue with the RBI for suspected violation of FERA 1973 and FEMA 1999 by disclosing the following facts:

The High Court approved the scheme of arrangement and demerger between ZIL and ZHL. The high court did not consider the issue whether the allotment of shares to NRI's were permissible or not. In terms of General circular no 53/2011 dated 26.07.2011 issued by the ministry of corporate affairs the ROC/RD were supposed to examine certain issues mentioned in the circular. Some of these issues relevant to the RBI case are as under:

- a. Whether companies forming part of scheme are sensitive sectors categories companies such as, Defence Equipment Manufacturing Companies / Telecommunication /Insurance / Business / Companies / Media News / Channels / Television Broadcasting Companies / Aviation Section / Power, Energy, Natural Gas / Petroleum etc? If so, whether notices served on the concerned Regulatory Authorities / Ministry?

- b. Whether there is any NRI holding / foreign interest in any of the Transferor or Transferee Company?
- c. Whether any foreign entity is involved and if so necessary permission is obtained from Regulatory Authorities?
- d. Whether compliance of FEMA/RBI Guidelines has been done wherever applicable?

The RD did not examine the scheme in terms of the circular, and this was an issue raised before the single judge of the High Court. The judge falsely stated in his order that the scheme was examined in terms of the Circular. The division bench too, ignored my objections on this count. Had the RD raised the issue with RBI, the RBI would have examined the issues raised at Sr. no. iii (a) to (f) of my letter dated 13.12.11 and given its comments, including whether, GHL, an OCB was an eligible class of investor, whether the percentage shareholding of NRIs would exceed the limits prescribed, whether NRIs could invest in shares of Indian companies engaged in agricultural activities or real estate etc.

The undersigned is entitled to request for an investigation whether ZGL, comes up with scheme of amalgamations and demergers, rights issues to circumvent the law and increase the promoter shareholding /wealth abroad and in India, without investing a single penny based on the following information:

- a. As on 30.06.11 there was only one company in existence, having a capital of 2944.11 lacs, which carried on the fertilizer business etc. i.e Zuari Global Ltd (erstwhile Zuari Industries Ltd) and the promoters held 34.37 % of the shares. The Fertilizer business was demerged into Zuari Agro chemicals Ltd (erstwhile Zuari Holding ltd) as on 30.06.11 . Pursuant to the demerger the share capital of ZGL remained at 2944.11 lacs and the share capital of ZACL amounted to Rs. 4205.80 lacs. The promoter's shareholding in ZACL , a new company, after the demerger was 54.06%. This was achieved without the promoters investing a single rupee. The increase in the shareholding of ZACL was due to the preferential allotment of shares by ZACL(transferee company) to ZGL (Transferee company) and ZGL's subsidiary, Zuari Management Services Ltd (ZMSL)at face value a few days prior to the demerger. The shares of ZACL were initially listed at Rs.394. ZGL provided all the funds. The investment by ZMSL in the equity shares issued on preferential basis was funded by ZIL, in the sense that ZGL granted interest free loan to Adventz Infracore India Ltd (AAIL), a subsidiary company of ZGL, which in turn granted a loan to ZMSL. The circular transfer of cash by way of loans establishes ulterior motives of the directors/promoters.
- b. This was not, therefore, a capital raising effort, but an increase in the share capital/controlling interest of the promoters by transferring businesses and funds from one company to another.
- c. The published financial statements as on 31.03.14 reveal that the promoter's shareholding in ZGL is 64.86% and in ZACL is 73.41%. Therefore, through the demerger route and partly through acquisition of shares, the promoters now hold 69.89% shares in both the companies compared to the 34.37 % they held for the same business prior to the demerger.
- d. The promoters did not hold any shares of ZGL through their companies registered abroad. The first time the non- resident shareholders belonging to the promoter group held shares (Coltrane Corporation Ltd) was on 23.05.98. As on 31.03.14 the

promoters hold 7491750 shares abroad. These shares are held by the following foreign companies :

| | | |
|-----|--------------------------|-----------------------|
| i. | Coltrane Corporation Ltd | 479750 shares |
| ii. | Globalware Holding Ltd | <u>7012000</u> shares |
| | Total | 7491750 shares |

The shares held by Coltrane Corporation Ltd (CCL) were issued pursuant to the amalgamation of a promoter group company, Indian Furniture Products Ltd with ZGL on 01.04.98. CCL held shares in IFPL. Five years later, on 01.04.2003 the Furniture business was demerged into a wholly owned subsidiary IFPL.

As mentioned above, the shares held by GHIL was due to the merger of an overseas corporate body, OSI Ltd with GHL.

The non -resident holding of the promoters of ZACL is also ,7491750 shares which they received due to the demerger

Therefore, the promoters, from zero foreign shareholding, in ZGL and ZACL, now have 14983500 shares in both the companies as on 31.03.14. Their foreign shareholding percentage in ZGL is 25.45% and ZACL is 17.81% of the respective total share capital. All this has been achieved by amalgamation and demerger and without the companies or the country receiving any foreign funds.

The undersigned will seek an investigation to verify whether the companies obtained GOI/RBI approvals in respect of the foreign shareholdings and other relevant issues pertaining to the FERA and FEMA acts.

If the information is not forthcoming from the company and the ROC /RD/MCA is unable to examine the complaint for the last two years and five months, the undersigned is entitled to pursue the matter with the appropriate regulator to redress the grievances. The company cannot, therefore complain that the undersigned is approaching multiple authorities. Their failure to provide the information leads to complaints being filed with other authorities.

3. The comments of the company to the provisions of section 234,235 and, 239 of the companies Act 1956, are misconceived. My reference to these sections was on account of my statement that not only is the company required to furnish the information but the MCA should also carry out an investigation. The reference was to justify investigations by the MCA , which was objected to as instigatory by the company.(see comments ar Sr.no.1 above).

4. The company submits that it has provided all the information that the complainant is entitled to under the Companies act and suggested that it is more than willing to provide any additional information /clarifications especially if it would be of any "use" to a prudent Shareholder. In earlier years the company provided additional information which on analysis established that laws were violated.

As stated in my reply, the company should give satisfactory reasons and basis for withholding the additional information and also provide the specific provisions of the companies act and other regulation to justify its stand. The company should specify the additional information which would fall beyond the purview of the companies act and other regulations. The company should show how providing the information will harm the interest of the company. The undersigned cannot effectively argue a case for disclosure of information unless he is fully apprised of the nature of objections of the company and the provisions of the companies act and other regulation relied on by the company to deny information in respect of the financial statements. The company

should also state if the additional information sought in respect of the financial statements, is in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the company and which in the opinion of the directors, it would be inexpedient in the interest of the company to disclose. The company failed to respond to these submissions.

5. With regard to the extracts of clarifications that company has alleged it was shrewdly done with the intention of manipulating the thought process of the authorities. It is a statement that questions the competence of the authorities to think fairly. The company failed to provide how the extracts it reproduced affects the undersigned. The company should have provided satisfactory reasons and justification to establish which of the information requested unreasonable, frivolous etc.
6. The complaint cannot be resolved by attributing motives to the complainant as attempted by the company. I wish to state that, personal animosity or malice cannot be a ground to discard a complaint containing allegations which have to be tested and weighed by the authorities on the basis of the facts and evidence produced. If the complaint is bereft of truth and made maliciously, investigations will say so. No one can malign and defame any company without substantiating their allegations.
7. The company alleges that the undersigned is opposing every business decision of the company and referred to the scheme of demerger which was approved by the high Court.

I wish to point out that the scheme of amalgamation between ZIL and Gobind Sugar Mills Ltd was also opposed by me. The scheme was withdrawn by the company due to my objections. GSML which was valued at Rs. 481 by the valuers, when its shares were traded at Rs48, turned into a sick company in 2011. I stand vindicated.

As far as the scheme of demerger is concerned refer to my comments at Sr.No. 2 above. It should also be noted that both the companies incurred a loss on account of operations as on 31.03.14. The profits disclosed are due to exceptional items /other income. An analysis of the notes and exceptional items of ZGL and ZACL reveal that out of the land that was transferred from ZGL to ZACL (admeasuring 471 hectares as per the scheme of demerger) a portion was sold to ZGL on 28.03.14 at a profit of Rs. 163.53 crores!

One of my allegation before the regulators and court was that assets that were supposed to be transferred by ZGL (transferor company) pursuant to the scheme of demerger, to ZACL (transferee company) were sold. The allegation was not dealt with by these authorities. Now land that was transferred pursuant to the scheme of demerger is sold back by the transferee company (ZACL) to the transferor company(ZGL). My allegations that the scheme of demerger was a colorable device stand vindicated. The regulators i.e MCA, Stock Exchanges, High Court judges stand exposed. The failure of these authorities to examine the specific allegations against the scheme of demerger establishes the casual attitude towards their work not just from incompetence or negligence but mostly from a propensity to confer undue benefits on the company at the cost of the minority shareholders.

I also wish to point out that while on one hand the company has frozen the VDA of majority of its unionized staff, stopped sanctioning loans to its employees, cut down on certain benefits like canteen, GHI etc due to financial crunch, they have no hesitation in helping the promoters receive dividend and managerial remuneration or providing

support to promoter group companies. Besides the dividends received by the promoters, the wife of the chairman is drawing managerial remuneration from ZGL. All these facts establish that the affairs of the company are being carried out in a manner prejudicial to the interest of the minority shareholders including financial institutions. Recently even retired employees have raised a banner of revolt against the company's decision to scrap the benefits of GHI premium which was promised as per their contract. Business decisions are taken keeping in mind the benefits that would accrue to the promoters rather than all the stakeholders.

8. With regard to the statement that the undersigned refused to give up the benefits of the scheme of demerger, I wish to point out that besides being a shareholder, the undersigned is the general secretary of a union operating in ZHL and ZACL. The dues of the members of the union are lying with the company since 01.01.2002. All the offences mentioned at Sr.no. 10 of my reply dated 07.04.14, establish that the company is preparing and disseminating materially misstated financial statements and indulging in unethical practices, which are particularly detrimental to the interest of the workmen. The undersigned has a duty and responsibility to protect the interest of the workmen.

Kindly examine the issues raised in the complaint and other correspondence and provide your reasoned findings. Every complainant has the right to know on what basis a decision has been taken which may affect his situation.

Yours faithfully,

Sd/-

R.G.Furtado
F3/A1, Virginkar Residency,
Ambaji-Fatorda-Goa
Email: gfurtado@rediffmail.com



To,
Member Secretary
Goa State Pollution Control Board
Dempo Tower, 1 Floor
EDC Complex, Patto Plaza
Panaji - Goa - 403001

15.07.2016

Sub.: Reply to letter regarding Public Hearing- Zuari Agro Chemicals Ltd- Comments, suggestions, objections and request for information

Ref.: 1. Email from GSPCB (goacpcb@gspcb.in) sent on 12.07.16 to ZACL
2. Letter by Mr. R.G. Furtado dated 07.07.2016 to GSPCB

Dear Sir,

With regards to the above referenced letters, please find below our reply to the comments, suggestions and objections made in the letter by Mr. R.G. Furtado dated 07.07.2016

Point 1 of the letter states, 'The underground pipeline laid into the sea for discharge of effluent should be closed and sealed...'

Reply by ZACL:

With regard to the same it is humbly submitted that the Company has never disputed the existence of the pipeline. The pipeline has been maintained and monitored as per the mandate of the High Court of Bombay and the directions of the Pollution Control authorities.

In the judgement and order dated 2nd April 1998 passed in Writ Petition No. 450 of 2008, filed by Goa foundation and anr. Vs. Zuari Agro chemicals Limited and 6 ors. the High Court of Bombay at Goa held as follows:

"31. Again, we are happy to note that the respondent No.1 is very mindful of that and including their effort of bringing in the expert from BARC (Bhabha Atomic research Centre), they are doing all that is required with the aid of latest technology to see that effluents do not seep away into the Dorvol springs. Needless to say that the respondent No.1 will have to take care of the pipeline that they have fitted for discharge of water into the sea. The pipeline will have to be periodically checked and kept serviceable without any breakage so that before the water reaches the sea it does not seep into the nearby soil through which the pipeline passes. The existence of the pipeline is not in dispute and is set out in the affidavit in reply of the respondent No.1...

32. Obviously, it has been kept in situ for being used, if necessary. When a facility is thus being made available, it is proper that the same is repaired and kept in state of readiness so that while achieving the purpose for which it is kept damage is not done....

The addressee has made mention of the company being Zero Effluent Discharge Plant for around 40 years. The Company has consistently maintained that the Zero Effluent Discharge status has been achieved from the year 1990.

The Company continues to maintain the Zero Effluent Discharge status. The final effluent discharge pipeline is being continuously monitored by means of provisions of a camera and a flow meter as per the mandate of the Central Pollution Control Board (CPCB). The Monitoring is done on a "Real Time" basis as these are hooked up to the CPCB server/system. Hence, appropriate monitoring by the statutory agency (CPCB) is already in place.

Page 1 of 4

ZUARI AGRO CHEMICALS LIMITED
(Formerly known as Zuari Holdings Limited)

Registered Office : Jai Kisaan Bhawan, Zuarinagar, Goa - 403 726, India.
Telephone : (0832) 2592180, 2592181, Fax : (0832) 2555279, CIN-L65910GA2009PLC006177
Website : www.zuari.in

Point 2 of the letter states, 'Provide the capacity of the holding ponds, settling tanks and guard pond'

Reply by ZACL:

The Capacities of the Holding Ponds, Settling Ponds and Guard Pond are as below:

- Two Settling Ponds, each of 150 m³ capacity
- Three Holding Ponds, each of 300 m³ capacity
- Guard Pond of 650 m³ capacity

Point 3 of the letter states, 'Are continuous monitoring systems (CEMS) installed for all the process stacks and since when (provide the number of stacks and process).'

Reply by ZACL:

The details of the Continuous Emission Monitoring Systems are provided below

Online CEMS for utilities Boiler stack commissioned on 15th July, 2013

Online CEMS for Ammonia Reformer commissioned on 31st May, 2015

| Plant | Stack | Parameter | Status of online stack analyzer |
|-----------|-------------------------------------|--|--|
| Urea | Prilling Tower | PM | Under Trial Run |
| | Dust Separator | PM | Under Trial Run |
| NPK-A | Dryer stack | PM | On Order |
| | Dedusting stack | PM | On Order |
| | Fume stack | NH ₃ | Under Trial Run |
| NPK-B | Stack | NH ₃ & PM | On Order |
| Ammonia | Reformer stack | NO _x , SO ₂ and CO | Completed. Analyzer in line. 31/05/2015 |
| Utilities | Boiler stack | NO _x | Completed. Analyzer in line. 15/07/2013 |
| | DG + MP Boiler stack (common stack) | NO _x , PM, SO ₂ , CO | Under Trial Run |

Point 4 of the letter states, 'How many borewell are existing and whether permission have been obtained from the concerned authorities. Furnish the reference Idade of the approvals and the authority which granted them'

Reply by ZACL:

With regard to the Borewells, we wish to submit that currently no Borewells are in use. ZACL signed an agreement with WRD, Govt. of Goa in March 2014 for supply of Raw Water which has already commenced and with improved water supply in adequate quantity; ZACL has stopped usage of all the Borewells.

Point 5 of the letter states, 'No of employees in the environment management cell of the company. Their names and qualifications.'

Reply by ZACL:

The Details of the Environment Management Cell are given below:

| S. No. | Name | Designation | Experience | Qualification |
|--------|----------------------------|--|------------|--|
| 1 | Mr. V. Vinay | Joint General Manager- Technical Services | 17 years | B.E. Chemical |
| 2 | Mr. Inderjit Singh Matharu | Chief Manager - Environment & Management Systems | 25 years | M.Sc. Ecology & Environment, MI FireE from IFE (UK), Post Diploma in Industrial Safety |
| 3 | Mr. R.S Salkar | Manager - Laboratory | 29 years | B.Sc., Post Graduate Diploma in Environment |
| 4 | Ms. Liselle Pereira | Dy. Manager - Environment | 5 years | M.Sc. in Biotechnology with 5 years work experience in Environment field |

Also, a Separate Central Environment Council (CEC) team consisting of top management, middle management and Environment Cell is in place which is dedicated to Environment Management.

Point 6 of the letter states, 'Letter No.ZACLXXXX dated 24.06.15 addressed by ZACL to the Ministry of Environment and Fertilizers states that "Now due to favourable situations, we intend to increase the capacity of the urea plant during this process ..." The present operating capacities are 1210 MTPD for Urea Plant. Whether the expansion increases this capacity to 1500 MTPD

Reply by ZACL:

With regard to query on the Capacity of Urea Plant, we wish to submit that the Capacity would be 1800 MTPD (1200 MTPD - Prills + 600 MTPD - Granules).

Point 7 of the letter states, 'The Customized NPK Fertilizers will be produced by bulk blending of various Raw Materials. Provide the name of the materials .the source and how will it be transported to the factory'

Reply by ZACL:

The details of Raw Materials and their movement of the proposed Customized NPK Fertilizers Plant is part of the draft EIA report. Reference to Table 4-7 on page 153 may be made.

Point 8 of the letter states, 'Sr.no.2.1 of Form I under the head activity (prefeasibility report and proposed TOR) states that Zuari Agro Chemicals Ltd has its own undeveloped land earmarked for expansion activities....'

Reply by ZACL:

The Project is envisaged within the existing factory premises at Zuarinagar that is within the Survey Nos. 157 and 163 of Sancoale Village. The company has title and ownership over

these properties which devolved upon it pursuant to the Demerger and vesting of the fertiliser business in itself vide Order of the High Court of Bombay at Goa dated 2-03-2012. The Company has completed the mutation of the same.

The remaining properties of the Company do not effect the Proposed Project other than constituting the green belt cover maintained by the company around its factory which has been adequately maintained. The company cannot comment on the development plans of ZGL/ or any other company.

The classifications of land use provided in the Form I is of the area which is within the radius of 10 kms from the Proposed site. The company has no land that it designates as Wasteland. Besides that stated above, the Proposed Project is not affected by the remaining properties belonging to the Company.

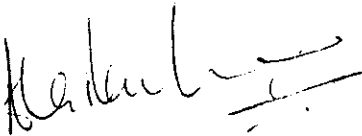
The company does not wish to comment on the derogatory comments made by the addressee against the GSPCB. The addressee is an ex-employee of the Company whose services were terminated on the grounds of loss of confidence as he was indulging in anti-Company activities so as to pressurize the company in meeting the illogical demands of the Union he represented at the time. Since then the addressee has embarked on a revengeful tryst, illogically challenging the decisions of the Company before all Authorities. When his attempts meet with failure he usually resorts to derogatory and disparaging comments against all authorities. We have witnessed the same subjected towards the Registrar of Companies, the Judges of the High Court of Bombay, the Securities and Exchange Board of India, the National Stock Exchange of India and the Bombay Stock Exchange etc.

Hope the above presented facts addresses your concerns

Thanking you,

Yours faithfully,

For **Zuari Agro Chemicals Ltd.**



A. A. Pacheco

General Manager - Manufacturing

Copy to: Mr. R.G.Furtado, F3/A1, Virginkar Residency, Ambaji, Fatorda-Goa