



## HATSUN AGRO PRODUCT LIMITED

**Registered Office:**No.41 (49), Janakiram Colony Main Road, Janakiram Colony, Arumbakkam, Chennai - 600 106; **Telephone:**+91 44 4365 9999

**Corporate Office:**Plot No. 14, TNHB, TN Housing Board, 'A' Road, Sholinganallur, Chennai – 600 119; **Telephone:**+91 44 2450 1622

**Contact Person:** G. Somasundaram, Company Secretary and Compliance Officer

**E-mail:** secretarial@hap.in; **Website:** www.hap.in; **Corporate Identification Number:** L15499TN1986PLC012747

### ENTITLEMENT LETTER FOR THE RIGHTS ISSUE

Dear Shareholder,

ISSUE OF UP TO 71,85,444 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 419 PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 418 PER EQUITY SHARE) AGGREGATING UP TO ₹ 30,107.02\* LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARE FOR EVERY 30 (THIRTY) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON DECEMBER 8, 2022 ("RECORD DATE") (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE SEE THE SECTION ENTITLED "TERMS OF THE ISSUE" ON PAGE 180 OF THE LOF.

\* Assuming full subscription

For details, please refer to the section entitled "Terms of the Issue" on page 180 of the Letter of Offer.

This letter does not constitute an offer of, or a solicitation of an offer to purchase, any securities of the Company in any jurisdiction where such offers or solicitations are not permitted by law. You are advised to read the disclaimer carefully before reading, accessing or making any other use of the documents. By accessing this letter and its enclosures, you are hereby deemed to represent that you qualify under the above criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

You have been sent this letter (including its enclosures) to comply with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), and relevant circulars issued by SEBI from time to time. The information in this letter is solely intended for distribution to, and use by, Eligible Equity Shareholders as of the Record Date i.e., Thursday, December 8, 2022, who have provided an Indian address to the Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. By accepting this letter and its enclosures, you are hereby deemed to represent that you qualify under one of the foregoing criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

**IF YOU ARE NOT PERMITTED TO VIEW THIS LETTER OR ARE IN ANY DOUBT AS TO WHETHER YOU ARE PERMITTED TO VIEW THIS LETTER, PLEASE TREAT THIS LETTER AS SENT FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE ACTED UPON FOR SUBSCRIPTION TO THE RIGHTS EQUITY SHARES AND SHOULD NOT BE COPIED OR REDISTRIBUTED.**

With reference to above, please find below the details of Equity Shares held by you as on Record Date i.e., Thursday, December 08, 2022, along with your Rights Entitlements for information:

Folio Number / DP or Client ID	No. of Equity Shares held by you on Record date being December 08, 2022	No. of Rights Entitlement

Abridged Letter of Offer & Application Form are enclosed herewith.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.hap.in](http://www.hap.in)).

**This is to inform you that the captioned Issue opens for subscription on Monday, December 19, 2022 and closes for subscription on Monday, January 9, 2023.** Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

#### Procedure for Application in the Issue

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022, and any other circular issued by SEBI in this regard, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details see "Terms of Issue - Making of an Application through the ASBA Process" and "Terms of Issue - Procedure for Application through the ASBA Process" of the Letter of Offer ("LOF").

#### Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "LIPL HATSUN AGRO RIGHTS 2022 ESCROW DEMAT ACCOUNT") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the Investor Education and Protection Fund ("IEPF") authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar to the Issue on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar to the Issue; or (d) credit of the Rights Entitlements returned/reversed/failed; or e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

For Eligible Equity Shareholders holding Equity Shares in physical form, please also see 'Attention for Physical Shareholders' below.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### ATTENTION FOR PHYSICAL SHAREHOLDERS

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in "Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form" on page 186 of the Letter of Offer.

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Pursuant to the SEBI Rights Issue Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- Our Company at [www.hap.in](http://www.hap.in)
- the Registrar to the Issue at [www.linkintime.co.in](http://www.linkintime.co.in)
- the Lead Manager at [www.axiscapital.co.in](http://www.axiscapital.co.in); and
- the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com);

#### Trading of the Rights Entitlements:

In accordance with the SEBI Rights Issue Circulars, The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the "On Market Renunciation"); or (b) through an off-market transfer (the "Off Market Renunciation"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism. For more details, see "Procedure for Renunciation of Rights Entitlements" on page 194 of the Letter of Offer.

#### Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

For details, please see the section entitled "Terms of the Issue- Procedure for Renunciation of Rights Entitlements" on page 194 of the Letter of Offer.

**PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.**

#### Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 1 (one) Rights Equity Share for every 30 (thirty) Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 30(thirty) Equity Shares or not in the multiples of 30 (thirty), the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their rights entitlement, if any.

Further, the Eligible Equity Shareholders holding less than 30 (thirty) Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

#### Issue Schedule

Last Date for credit of Rights Entitlements	Thursday, December 15, 2022
Issue Opening Date	Monday, December 19, 2022
Last date for On Market Renunciation of Rights Entitlements #	Tuesday, January 3, 2023
Issue Closing Date*	Monday, January 9, 2023
Finalization of Basis of Allotment (on or about)	Monday, January 16, 2023
Date of Allotment (on or about)	Tuesday, January 17, 2023
Date of credit (on or about)	Thursday, January 19, 2023
Date of listing (on or about)	Monday, January 23, 2023

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

# Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Investors can access the LOF, the Abridged LOF and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the website of the Lead Manager or the Company or the Registrar or the Stock Exchange.

Please refer to the FAQs available on the websites of the Company and the Registrar to the Issue, which may be used as guidance for making an Application in the Rights Issue.

#### NOTICE TO INVESTORS

**NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS ISSUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS AS DESCRIBED IN THIS LETTER OF OFFER.**

In case of any queries, you may contact the Company, Lead Manager to the Issue or the Registrar to the Issue.

COMPANY	LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
		
<b>HATSUN AGRO PRODUCT LIMITED</b> Registered Office: No.41 (49), Janakiram Colony Main Road, Janakiram Colony, Arumbakkam, Chennai - 600 106; Telephone: +91 44 4365 9999 Corporate Office: Plot No. 14, TNHB, TN Housing Board, 'A' Road, Sholinganallur, Chennai – 600 119; Telephone: +91 44 2450 1622 Contact Person: G. Somasundaram, Company Secretary and Compliance Officer E-mail: <a href="mailto:secretarial@hap.in">secretarial@hap.in</a> ; Website: <a href="http://www.hap.in">www.hap.in</a> Corporate Identification Number: L15499TN1986PLC012747	<b>Axis Capital Limited</b> 1 <sup>st</sup> Floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India Telephone: +91 22 4325 2183 E-mail: <a href="mailto:hap.rights@axiscap.in">hap.rights@axiscap.in</a> Investor Grievance E-mail: <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a> Website: <a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a> Contact Person: Pratik Pednekar SEBI Registration No.: INM000012029	<b>Link Intime India Private Limited</b> C-101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai- 400083 Tel: +91 810 811 4949 E-mail: <a href="mailto:hatsunagro.rights@linkintime.co.in">hatsunagro.rights@linkintime.co.in</a> Investor Grievance E-mail: <a href="mailto:hatsunagro.rights@linkintime.co.in">hatsunagro.rights@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Contact Person: Sumeet Deshpande SEBI Registration No.: INR000004058

**Note:** All capitalized terms, unless defined herein, shall have the meaning ascribed to them in the Letter of Offer.

For HATSUN AGRO PRODUCT LIMITED

Sd/-  
 G. Somasundaram  
 Company Secretary and Compliance Officer