

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER
FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated December 03, 2022 (“**Letter of Offer**”) which is available on the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges where the equity shares of our Company are listed i.e. BSE (“**BSE**”) and National Stock Exchange Limited (“**NSE**” and together with BSE, the “**Stock Exchanges**”). You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the same meaning as ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar’s website at www.linkintime.co.in and the Company’s website at www.hap.in, the Letter of Offer, this Abridged Letter of Offer along with the Rights Entitlement Letter and Application Form to the Eligible Equity Shareholders who have provided an Indian address to our Company. You may also download the Letter of Offer from the website of the Securities & Exchange Board of India (“**SEBI**”), the Stock Exchanges and the Lead Manager i.e., at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.axiscapital.co.in, respectively. The Application Form is also available on the respective websites of the Company, Lead Manager, Registrar and the Stock Exchanges.

HAP

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

OUR PROMOTER: CHANDRAMOGAN R.G.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY

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 LETTER OF OFFER.

**Assuming full subscription*

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively, the “**Stock Exchanges**”). Our Company has received “in-principle” approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters dated November 29, 2022, and November 30, 2022, respectively. Our Company will also make applications to NSE and BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations. Further, our Company satisfies the conditions specified in Regulation 99 of the SEBI ICDR Regulations and accordingly, our Company is eligible to undertake the Issue by way of a ‘fast track issue’.

INDICATIVE TIMETABLE

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

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 14 of the Letter of Offer before making an investment in this Issue.

Name of the Lead Manager and Contact Details	Axis Capital Limited 1 st Floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India Telephone: +91 22 4325 2183 E-mail: hap.rights@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Pratik Pednekar SEBI Registration No.: INM000012029
Name of the Registrar and Contact Details	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai- 400083 Tel: +91 810 811 4949 E-mail: hatsunagro.rights@linkintime.co.in Investor Grievance E-mail: hatsunagro.rights@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sumeet Deshpande SEBI Registration No.: INR000004058

Name of the Statutory Auditor	Deloitte Haskins & Sells LLP, Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.
Banker to the Issue	Axis Bank Limited

SUMMARY OF BUSINESS

We are a dairy company based in south India. Our business model in India consists of procurement, processing, distribution and marketing operations of dairy products. We procure milk from farmers through our Hatsun Milk Banks (“HMBs”) and Active Bulk Coolers (“ABCs”) and manufacture various dairy based products such as milk, curd, ghee, butter, paneer, ice-cream, chocolates, yoghurt, skimmed milk powder, lassi, butter milk, cheese spread, and dairy whitener. Our processing and manufacturing facilities are primarily across the states of Tamil Nadu, Andhra Pradesh, Karnataka, Telangana, and Maharashtra. We also manufacture cattle feed. Our marketing/ sales operations are spread across the states of Tamil Nadu, Karnataka, Kerala, Andhra Pradesh, Telangana, Maharashtra, Odisha, Goa and the union territory of Pondicherry.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

(in ₹ lakhs)

Particulars	Estimated amount (up to)
Repayment or pre-payment, in full or part, of certain outstanding borrowings availed by our Company	28,579.87
General corporate purposes*	1,000.00
Total Net Proceeds**	29,579.87

* Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Means of finance

Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identifiable internal accruals. Therefore, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Monitoring Agency : CRISIL Ratings Limited

EQUITY SHAREHOLDING PATTERN OF THE COMPANY AS ON DATE OF THE LETTER OF OFFER

- a. The shareholding pattern of our Company as at September 30, 2022 can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/hatsun-agro-product-ltd/hatsun/531531/qtrid/115.01/shareholding-pattern/Sep-2022/> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HATSUN&tabIndex=equity>.
- b. The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as at September 30, 2022 can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=531531&qtrid=115.01&QtrName=30-Sep-22> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

- c. The statement showing holding of Equity Shares of persons belonging to the category “Public” including Shareholders holding more than 1% of the total number of Equity Shares as at September 30, 2022 as well as details of shares which remain unclaimed for public can be accessed on the BSE website at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=531531&qtrid=115.01&QtrName=30-Sep-22> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern>.

For more details, please refer to the chapter titled “*Capital Structure*” on page 41 of the Letter of Offer.

BOARD OF DIRECTORS		
Name	Designation	Other Directorships
Chandramogan R.G.	Chairman and Non-Executive Non-Independent Director	Indian Ice Cream Manufacturers Association
C. Sathyan	Managing Director	NIL
K S Thanarajan	Non-Executive Non-Independent Director	NIL
P. Vaidyanathan	Non-Executive Non-Independent Director	a. Economist Communications Limited; b. SujaShoei Industries Private Limited; c. Integrated Investment Services Private Limited; and d. Integrated Fintech Education Foundation.
B. Thenamuthan	Independent Director	Karnataka News Publications Private Limited;
Tammineedi Balaji Nagabushanam	Independent Director	a. Jyothi Pure Water Private Limited b. Prism Infraspace Private Limited; c. Prism Infrabuild Private Limited; d. Prism Infobuild Private Limited.
Chalini Madhivanan	Independent Director	M.N. Eye Hospital Private Limited
S. Subramanian	Independent Director	NIL
Sathyanarayan D	Non-Executive Non-Independent Director	NIL
V R Muthu	Independent Director	a. V.V.V & Sons Edible Oils Limited b. Thangamayil Jewellery Limited c. Idhayam-G Finance and Investment Services Limited d. Idhyam-G Jagat Nidhi Limited e. Virudhunagar Chamber of Commerce and Industry f. Virudhunagar Kamaraj Memorial Software Private Limited g. IdhyamParikshan Labs Limited

Details of the Issuer or any of its promoters or directors being a wilful defaulter or a fraudulent borrower:
Neither our Company nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers.

FINANCIAL INFORMATION

A summary of the financial information of our Company as at and for the six-month period ended September 30, 2022 and the Financial Year ended on March 31, 2022.

(₹ in lakhs)

Particulars	AS AT SEPTEMBER 30, 2022	AS AT MARCH 31, 2022
Total Revenue from operations	3,76,233.58	637,036.15
Profit Before Tax	12,849.93	27,538.14
Profit after Tax	9,443.41	21,790.94
Equity Share Capital (A)	2,156.02	2,156.02
Other Equity (B)	1,05,230.10	1,08,720.49

Particulars	AS AT SEPTEMBER 30, 2022	AS AT MARCH 31, 2022
Net Worth (C) [A+B]	1,07,386.12	1,10,876.51
Basic Earnings Per Share (in ₹)	4.38*	10.05
Diluted Earnings Per Share (in ₹)	4.38*	10.05
Net Asset Value per Equity Share (in ₹)	49.82*	51.44
Return on Equity (%)	8.65%*	20.46%

*Not Annualised

For further details, please refer the section titled “Financial Information” on page 80 of the Letter of Offer.

INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

1. Real or perceived product spoilage, tampering or adulteration of our products could result in reduced sales, product liability and damage to our reputation, and subject us to regulatory action which may adversely affect our business prospects, results of operations and financial condition.
2. A disruption or shutdown of our production and manufacturing operations or under-utilisation of our processing and manufacturing facilities or our failure to commission our new facilities successfully or a shortage or non-availability of fuel, electricity, or water could have an adverse effect on our business, financial condition and results of operations.
3. Our operations are dependent on the continuous supply of large amounts of milk, and our inability to procure adequate amounts of good quality raw milk, at competitive prices, may have an adverse effect on our business, results of operations and financial condition.
4. The success of our business strategy depends upon our ability to enhance our brands. Further, if we fail to maintain and enhance our brand and reputation, consumers’ recognition of our brands, and trust in us, our products, and are unable to maintain and grow our brand image, our business may be materially and adversely affected.
5. The supply of raw milk is subject to seasonal factors and does not necessarily match the seasonal change in demand for our products. Consequently, our inability to accurately forecast demand for our products, may have an adverse effect on our business, results of operations and financial condition.

SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS

A summary of outstanding legal proceedings involving our Company as on the date of this Letter of Offer is set forth in the table below:

Nature of cases	Number of Cases		Amount Involved* (₹ Lakhs)
	By our Company	Against our Company	
Proceedings involving issues of moral turpitude or criminal liability	-	2	-
Proceedings involving material violations of statutory regulations	-	7	-
Proceedings involving an amount exceeding the Materiality Threshold or where the amount is not quantifiable or is below the Materiality Threshold, but which materially and adversely affects the operations or the financial position of our Company	4	-	125.75
Other criminal matters initiated by our Company (under Section 138 of the Negotiable Instruments Act, 1881)	47	-	90.87
Tax proceedings			
- Direct Tax	-	3	4,241.06
- Indirect Tax	1	6	1,597.54
Nature of Cases	Number of Cases		Amount Involved* (₹ Lakhs)
Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated	4		-

*To the extent quantifiable

For further details, please see section entitled “*Outstanding Litigation and Defaults*” and “*Other Regulatory and Statutory Disclosures*” on pages 164 and 171 of the Letter of Offer, respectively.

TERMS OF THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, 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 “*Making of an Application Through ASBA Process*” on page 182 of the Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 193 of the Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- (ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the section entitled “- *Grounds for Technical Rejection*” on page 189 of the Letter of Offer. Our Company, the Lead Manager, the Registrar to the Issue and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar to the Issue, shall be credited in a demat suspense escrow account opened by our Company.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Hatsun Agro Product Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹ 419 per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions only outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders and located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar to the Issue, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.”

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/ our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer entitled "Restrictions on Foreign Ownership of Indian Securities" on page 207 of the Letter of Offer.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar to the Issue not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar to the Issue at www.linkintime.co.in.

Our Company, the Lead Manager and the Registrar to the Issue shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

For details of procedure for application by the Eligible Equity Shareholders holding Equity Shares as on the Record Date, please refer to the section entitled "*Terms of the Issue*" on page 180 of the Letter of Offer.

Rights Entitlement Ratio

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.

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.

Procedure for 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.

Payment Schedule of Rights Equity Shares

₹ 419 per Rights Equity Share (including premium of ₹ 418 per Rights Equity Share) shall be payable on Application.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE473B20019 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Monday, December 19, 2022 to Tuesday, January 3, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE473B20019 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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 Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN:INE473B20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

For details, see "Terms of the Issue- Procedure for Renunciation of Rights Entitlements" on page 195 of the Letter of Offer.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “- *Basis of Allotment*” on page 201 of the Letter of Offer.

Intention and extent of participation by our Promoter/ Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their right entitlement

Our Promoter and members of our Promoter Group, have confirmed to (a) subscribe to the full extent of their Rights Entitlement and not renounce their Rights Entitlement; and (b) subscribe to, any Rights Entitlement renounced in their favour or additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws/ regulations.

The Promoter has confirmed that such acquisition of Equity Shares will not result in a change of control or the management of our Company, and any such acquisition shall be subject to the aggregate shareholding of the Promoter and Promoter Group of our Company not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of our Company after the Issue.

Any participation by our Promoter and Promoter Group, over and above the Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law. As on date of the Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Availability of offer document of the immediately preceding public issue or rights issue for inspection:

A copy of the Letter of Offer dated June 6, 2018, in respect of the rights issue of equity shares of face value of ₹ 1 each by our Company is available for inspection on the website of our Company at www.hap.in from the date of the Letter of Offer until the Issue Closing Date and it is also available for inspection for our material shareholders.

ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

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 to the Issue or our Company at least two clear 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.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar to the Issue, shall be credited in a demat suspense escrow account opened by our Company.

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, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar to the Issue containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar to the Issue no later than two clear Working Days prior to the Issue Closing Date;
- (b) The Registrar to the Issue shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in the section entitled “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 184 of the Letter of Offer.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Right Entitlements not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. 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.

PLEASE NOTE THAT THE 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 TO THE ISSUE 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.

INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Hatsun Agro Product Limited – Rights Issue" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

Link Intime India Private Limited
C-101, 247 Park
L.B.S. Marg
Vikhroli (West)
Mumbai- 400083
Tel: +91 810 811 4949
E-mail: hatsunagro.rights@linkintime.co.in
Investor Grievance E-mail: hatsunagro.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
SEBI Registration No.: INR000004058

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar to the Issue (www.linkintime.co.in). Further, helpline number provided by the Registrar to the Issue for guidance on the Application process and resolution of difficulties is +91 810 811 4949.

The Investors can visit following links for the below-mentioned purposes:

- a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <https://web.linkintime.co.in/faq.html>
- b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar to the Issue: www.linkintime.co.in
- c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.linkintime.co.in
- d) Submission of self-attested PAN, client master sheet and demat account details by nonresident Eligible Equity Shareholders: hatsunagro.rights@linkintime.co.in

DECLARATION BY OUR COMPANY

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Chandramogan R.G. <i>Chairman and Non-Executive Non-Independent Director</i> Date: December 3, 2022 Place: Chennai	C. Sathyan <i>Managing Director</i> Date: December 3, 2022 Place: Chennai
Karuppiah Somasundaram Thanarajan <i>Non-Executive Non-Independent Director</i> Date: December 3, 2022 Place: Chennai	P Vaidyanathan <i>Non-Executive Non-Independent Director</i> Date: December 3, 2022 Place: Chennai
B. Thenamuthan <i>Independent Director</i> Date: December 3, 2022 Place: Bangalore	Tammineedi Balaji Nagabushanam <i>Independent Director</i> Date: December 3, 2022 Place: Hyderabad
ChaliniMadhivanan <i>Independent Director</i> Date: December 3, 2022 Place: Chennai	S. Subramanian <i>Independent Director</i> Date: December 3, 2022 Place: Chennai
Sathyanarayan D <i>Non-Executive Non-Independent Director</i> Date: December 3, 2022 Place: Chennai	V R Muthu <i>Independent Director</i> Date: December 3, 2022 Place: Chennai
Hariharan Ramachandran <i>Chief Financial Officer</i> Date: December 3, 2022 Place: Chennai	