



HATSUN AGRO PRODUCT LIMITED

CIN : L15499TN1986PLC012747

DOOR NO.1/20A, "DOMAINE", RAJIV GANDHI SALAI (OMR) KARAPAKKAM, CHENNAI - 600 097.

Phone No.: 044-24501622, Fax: 044-24501422 | Email: secretarial@hatsun.com | Website: www.hap.in

NOTICE ISSUED TO MEMBERS PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

To

The Members of Hatsun Agro Product Limited

NOTICE is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with The Companies (Management and Administration) Rules, 2014 that the Company is seeking the consent of its members to authorise the Board of Directors and/or any committee constituted by the Board to raise funds through issue of Equity Shares through Qualified Institutional Placement, by way of Postal Ballot which includes voting by electronic means.

The Explanatory Statement pertaining to the resolution proposed in this notice along with Postal Ballot Form is annexed herewith.

The Company has appointed Mr. S. Dhanapal, Senior Partner of M/s. S Dhanapal & Associates, Practicing Company Secretaries, Chennai, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours i.e. 5.00 P.M on, Tuesday, the 29th day of August, 2017. The Scrutinizer after completion of the scrutiny will submit his report to the Chairman and Managing Director of the Company on Thursday, the 31st August 2017. The results of the postal ballot will be declared by the Chairman and Managing Director or in his absence by the Executive Director authorised by the Board in this regard on Thursday, 31st August 2017 at 5.00 P.M. at the Registered Office of the Company. The results will also be posted on the website of the Company www.hap.in. The results shall be intimated to the Stock Exchange where the shares of the Company are listed and also to the general public through press release in newspapers.

Members may note that as required under Clause 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to members of the Company. Accordingly, the Company is providing e-voting facility for the Postal Ballot as an alternate, which would enable the members to cast their votes electronically, instead of casting their votes and despatching Postal Ballot forms physically. Please read and follow the instructions on e-voting enumerated in the Notes to this Notice. Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only. Detailed instructions to use the facility are given separately.

The Resolution, if approved, will be taken as passed effectively on the date of declaration of results.

Proposed Resolution:

ITEM N O. 1 - RAISING OF FUNDS UPTO RS.500 CRORES BY ISSUE OF SECURITIES TO QUALIFIED INSTITUTIONAL BUYERS THROUGH QUALIFIED INSTITUTIONS PLACEMENT

To consider and, if thought fit, to give assent/dissent, to the following Resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 41, 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) as amended from time to time, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") read with the Listing Agreement entered into by the Company with the stock exchanges where the shares of the Company are listed ("Listing Agreement"), the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, as amended from time to time and in accordance with applicable rules, regulations, guidelines, circulars and clarifications issued by Government of India ("GOI"), Reserve Bank of India ("RBI"), Securities and Exchange Board of India ("SEBI"), enabling provisions in the Memorandum and Articles of Association of the Company and also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (SEBI), Government of India (GOI), Reserve Bank of India (RBI) and all other appropriate and/or concerned authorities, or bodies (Collectively "appropriate authorities" and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions (" requisite approvals") which may be agreed to by the Board of Directors of the Company ('Board') (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot fully paid up equity shares to Qualified Institutional Buyers ('QIB') whether members of the Company or not and whether resident or non residents, on a private placement basis through a Qualified Institutional Placement ('QIP'), through a placement document, at such time and in one or more tranches, at such price or prices as may be determined in accordance with provisions of Chapter VIII of the SEBI Regulations and on such terms and conditions and in such manner as the Board may in its absolute discretion determine in consultation with the Lead Managers, Underwriters, Merchant Bankers, Guarantors, Financial and/ or Legal Advisors, Rating Agencies/Advisors Registrars, and all other Agencies/ Advisors, provided however that the total amount raised through issuance of such Securities shall not exceed INR 500 Crores (Rupees Five hundred Crores Only)."

“RESOLVED FURTHER THAT in terms of Chapter VIII of SEBI Regulations, the allotment of the equity shares as may be decided by the Board shall be completed within 12 months from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the provisions of SEBI Regulations and such equity shares issued through the QIP shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI Regulations.”

“RESOLVED FURTHER THAT the relevant date for determination of the floor price of the Equity Shares to be issued shall be the date of meeting in which the Board decides to open the proposed issue.”

“RESOLVED FURTHER THAT the pricing for the issue shall be determined in compliance with principles and provisions set out in regulation 85 of Chapter VIII of SEBI Regulations and the board may offer a discount of not more than 5% (Five Percent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.”

“RESOLVED FURTHER THAT in accordance with Regulation 86 (1) (a) of SEBI Regulations, a minimum of 10% of the equity shall be allotted to mutual funds and if mutual funds do not subscribe to the said minimum percentage or part thereof, such minimum percentage or part thereof may be allotted to other QIB’s and no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to the promoter of the company.”

“RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari passu including dividend entitlement with the existing Equity Shares of the Company in all respects.”

“RESOLVED FURTHER THAT the Equity Shares to be issued shall be listed with the stock exchanges, where the existing equity shares of the Company are listed.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the issue, allotment, listing and trading of equity shares as above, the Board be and is hereby authorised on behalf of the company to determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount in issue as the Board may in its absolute discretion deems fit and to make and accept any modifications in the proposals as may be required by the authorities involved in such issue(s) and to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).”

“RESOLVED FURTHER THAT the Equity Shares to be offered and allotted shall be in dematerialized form.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities the Board, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Lead Manager(s) in offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with Lead Manager(s) and to seek the listing of such securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers in such manner as may deem fit.”

By Order of the Board
For HATSUN AGRO PRODUCT LIMITED
SD/-
R.G.CHANDRAMOGAN
CHAIRMAN AND MANAGING DIRECTOR

Place: Chennai
Date: 13.07.2017

Notes:

1. The explanatory statement and reasons for the proposed resolution as required under Section 102 of the Companies Act, 2013, is annexed to this notice.
2. The Company has appointed Mr. S. Dhanapal (FCS 6881), Senior Partner, M/s. S Dhanapal & Associates, Practising Company Secretaries, Chennai, to act as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/List of Beneficial Owners, received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on 21.07.2017
4. In compliance with provisions of Section 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. **E-voting is optional.**

The complete detail of the instructions for e-voting is annexed to this notice.

Registered Folio No. / DP ID No. / Client ID No.	Number of shares held:

Dear Member,

Subject: Instructions for e-voting

Pursuant to the provisions of section 108 and 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-voting facility, additionally, to the members to cast their votes electronically on all resolutions set forth in the Notice of Postal Ballot. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility.

The e-voting facility is available at the link <https://www.evoting.nsdl.com> The electronic voting particulars are as set out below:

EVEN (E-voting Event Number)	User ID	Password

Please read the instructions printed below before exercising your vote. These details and instructions form an integral part of the Postal ballot notice.

Steps for Remote e-voting:-

1. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
2. Click on Shareholder Login
3. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for Login.
4. If you are logging for the first time, please enter the User ID and Password provided in this document.
5. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. Home page of e-Voting opens. Click on e-Voting: Active Evoting Cycles.
7. Select "EVEN" of Hatsun Agro Product Limited.
8. Now you are ready for e-Voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolutions, you will not be allowed to modify your vote.
12. For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at csdhanapal@gmail.com with a copy marked to evoting@nsdl.co.in
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
14. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Instruction for voting through postal ballot:-

1. A member desiring to exercise vote by postal ballot may complete this postal ballot form and send it to the Scrutinizer in the enclosed self addressed envelope. Postages will be borne and paid by the company. However, envelope containing postal ballot if sent by courier at the expense of the registered shareholder will also be accepted.
2. The self addressed envelope bears the address of the Registrar and transfer agent appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the shareholder (as per the specimen signature registered with the company or furnished to National Security Depository Limited or Central Depository Services (India) Limited in respect of shares held in physical form or dematerialised form respectively). In case of joint holding, this form should be completed and signed by the first named share holder and in his absence, by the next named share holder
4. Incomplete and / or unsigned Postal Ballot Form will be rejected.
5. Duly completed postal ballot form should reach the address of the Registrar and Transfer Agent not later than the close of working hours on 29th August 2017. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
6. In case of shares held by companies/trusts, societies etc the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/ Authority for the purpose.
7. Voting rights shall be reckoned on the paid up value of shares registered in the name of the share holders as on 21st July 2017.
8. Exercise of vote by postal ballot through proxy is not permitted. Members are requested to carefully read the instructions printed and tick (✓) mark should be placed in the relevant box signifying assent (FOR) /dissent (AGAINST) for the resolution, as the case may be before mailing the postal ballot form.
9. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. Postal Ballot forms bearing tick marks in both the columns will render the postal ballot form invalid.
10. The members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope as all such envelopes will be sent to the scrutinizer and any extraneous paper found in such envelope would be destroyed by the scrutinizer.
11. The scrutinizer's decision on the validity of postal ballot shall be final.

General Instructions:

1. The remote e-voting period commences on 9.30 A.M. on Monday, 31st July, 2017 and ends on 5.30 P.M on Tuesday, 29th August, 2017. During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, 21st July, 2017, may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

2. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting through postal ballot paper.
3. Shri. S.Dhanapal, Senior Partner of M/s. S Dhanapal & Associates, Practising Company Secretaries (Membership No.FCS 6881) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
4. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 21st July, 2017.
5. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hap.in and on the website of the NSDL within two days of the declaration of results and communicated to National Stock Exchange of India Limited and BSE Ltd.
6. Kindly note that the shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If shareholders are opting for e-voting, then do not vote by Physical Ballot or vice versa. However, in case shareholders cast their vote by Physical Ballot and e-voting both, then voting done through Physical Ballot shall be treated as invalid.
7. In case of any difficulties / grievances relating to the voting process, the members can contact:

Mr. S. Narayan, Company Secretary

HATSUN AGRO PRODUCT LIMITED

CIN : L15499TN1986PLC012747

Regd. Office : DOOR NO.1/20A, "DOMAINE", RAJIV GANDHI SALAI (OMR),
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.1:-

The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital, the raising of funds through QIP route would be another source of funds to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution.

A Qualified Institutional Placement (QIP) of the shares of the Company would be less time consuming and more economical method than other modes of raising capital. Accordingly, the Company may issue securities by way of a QIP in terms of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations').

These securities will be allotted only to Qualified Institutional Buyers (QIBs) as per the SEBI Regulations and there will be no issue to retail individual investors and existing retail shareholders. The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the securities will be decided by the Board (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by the resolution) based on an analysis of the specific requirements after consulting all concerned. Therefore the proposal seeks to confer upon the Board the absolute discretion to determine the terms of issue in consultation with the Lead Managers to the Issue.

As per Chapter VIII of the SEBI Regulations, an issue of securities on QIP basis shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the "relevant date."

The equity shares, if any, allotted on the issue shall be fully paid up and shall rank in all respects pari-passu with the existing Equity Shares of the Company.

The Board may, at its absolute discretion, issue equity shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the SEBI Regulations, subject to Section 53 of the Companies Act, 2013.

As the pricing of the offer cannot be decided except at a later stage, it is not possible to state the price of shares to be issued. However, the same would be in accordance with the provisions of the SEBI Regulations, the Companies Act, 2013, and other guidelines/regulations/consents as may be applicable or required.

The "relevant date" for the above purpose, shall be the date of meeting in which the Board decides to open the proposed issue. The Stock Exchange for the same purpose is the BSE Limited/National Stock Exchange of India Limited.

In case of QIP Issuance the special resolution has a validity period of 12 months before which allotments under the authority of said resolution should be completed. The Directors recommend this Resolution at Item No.1 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

By Order of the Board

For HATSUN AGRO PRODUCT LIMITED

SD/-

R.G.CHANDRAMOGAN

CHAIRMAN AND MANAGING DIRECTOR

Place: Chennai

Date: 13-07-2017

Encl : 1. Postal Ballot Form

2. Pre-paid self-addressed Envelope.