

# HATSUN AGRO PRODUCT LIMITED

CIN : L15499TN1986PLC012747

Regd. Office : DOOR NO.1/20A, "DOMAINE", RAJIV GANDHI SALAI (OMR)

KARAPAKKAM, CHENNAI – 600 097.

Phone No.: 044-24501622, Fax: 044-24501422 | Email: [secretarial@hap.in](mailto:secretarial@hap.in) | Website: [www.hap.in](http://www.hap.in)

## NOTICE ISSUED TO THE 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 for the businesses listed below, by way of Postal Ballot which includes voting by electronic means. The Explanatory Statement pertaining to each 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, Practising 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, Thursday, 5<sup>th</sup> March 2020. The Scrutinizer after completion of the scrutiny will submit his report to the Chairman of the Company or a person authorized by him on or before Saturday, the 7<sup>th</sup> March 2020. The results of the postal ballot will be declared by the Chairman or a person authorized by him in this regard on or before Saturday, the 7<sup>th</sup> March 2020 at the Registered Office of the Company. The results will also be posted on the website of the Company [www.hap.in](http://www.hap.in). The results will 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to the 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 dispatching Postal Ballot forms physically. Please read and follow the instructions one-voting enumerated in the Notes to this Notice. Only the 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 Resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

### **Proposed Resolutions:**

#### **ITEM NO.1-PAYMENT OF REMUNERATION TO SHRI. K.S. THANARAJAN, CHAIRMAN AND NON-EXECUTIVE NON-INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Section 197 and other applicable provisions if any of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the remuneration and benefits (apart from the remuneration as applicable to the other Non-Executive Directors of the Company) payable to Shri. K.S. Thanarajan (DIN: 00012285), Chairman and Non-Executive Non-Independent Director of the Company for the period from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021 as set out in the Explanatory Statement annexed to the Notice, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) and Shri. G. Somasundaram, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution”.

**ITEM NO. 2 – PAYMENT OF REMUNERATION TO SHRI. D. SATHYANARAYAN, NON-EXECUTIVE NON-INDEPENDENT DIRECTOR.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

**RESOLVED THAT** in accordance with the provisions of Section 197 and other applicable provisions if any of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the remuneration and benefits (apart from the remuneration as applicable to the other Non-Executive Directors of the Company) payable to Shri D. Sathyanarayan (DIN: 08489439), Non-Executive Non-Independent Director of the Company, for the period from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021, as set out in the Explanatory Statement annexed to the Notice, be and is hereby approved."

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) and Shri G. Somasundaram, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

**ITEM NO.3–RE-ISSUE OF FORFEITED EQUITY SHARES ARISING OUT OF FORFEITURE OF RIGHTS EQUITY SHARES FOR NON PAYMENT OF FIRST AND FINAL RIGHTS CALL MONEY**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

**RESOLVED THAT** in accordance with the applicable provisions of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent is accorded to the Board of Directors of the Company to Re-issue the forfeited Rights Equity Shares arising out of Forfeiture of Rights Equity Shares by the Board for Non payment of First and Final Rights Call Money to any person/s as the Board thinks proper, as set out in the Explanatory Statement annexed to the Notice convening this Meeting."

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) and Shri G. Somasundaram, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

**By Order of the Board**  
**For HATSUN AGRO PRODUCT LIMITED**  
**SD/-**  
**G. SOMASUNDARAM**  
**COMPANY SECRETARY**

Place: Chennai

Date: 21<sup>st</sup> January 2020

**Notes:**

1. The explanatory statement and reasons for the proposed resolutions 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 31<sup>st</sup> January 2020.
4. In compliance with 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 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 voting through Postal Ballot Form. **E-voting is optional.**

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

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

**DISCLOSURES PURSUANT TO SECRETARIAL STANDARDS – 2**

<b>PROFILE OF THE DIRECTORS PERTAINING TO FIXATION OF REMUNERATION</b>		
Name of the Director	Shri K.S. Thanarajan	Shri D.Sathyannarayan
Director Identification Number (DIN)	00012285	08489439
Date of Birth and Age	20-03-1949 (70 Years)	14-06-1959 (60 Years)
Date of Appointment at current designation /Date of first appointment on the Board	21 <sup>st</sup> June 2019 (re-designated as Chairman of the Company)	21 <sup>st</sup> June 2019
Profile/Qualifications & Experience	Mr.K.S.Thanarajan is a Chairman and Non-Executive Non-Independent Director of our Company. He holds a masters' degree in economics from the University of Madras. He was in-charge of day to day operations of the dairy division of our Company. He has been in the dairy business for more than 20 years.	Shri. D.Sathyannarayan has more than three decades of experience in handling Factory operations, Food Safety, Quality control aspects and setting up of new plant/s.
Details of Remuneration sought to be paid and the remuneration last drawn	(a) Entitled to a Sitting Fee of Rs. 50,000/- per meeting of the Board and Rs. 10,000/-each per meeting of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk	(a) Entitled to a Sitting Fee of INR 50,000 per meeting of the Board. (b) Entitled to a monthly Remuneration of Rs. 50,000/- from 01.09.2019 till 31.03.2020

	<p>Management Committee and CSR Committee</p> <p>(b) Entitled to a monthly Remuneration of Rs. 6,84,000/- from 01.09.2019 till 31.03.2020 which was approved by the Shareholders of the Company by way of passing a Special Resolution at the AGM of the Company held on 30<sup>th</sup> August 2019.</p> <p>Remuneration sought to be paid for the services rendered by him is mentioned in the explanatory statement to the Resolution forming part of Postal Ballot Notice.</p>	<p>approved by the Shareholders of the Company as a Special Resolution at its AGM held on 30<sup>th</sup> August 2019.</p> <p>Remuneration sought to be paid for the services rendered by him is mentioned in the explanatory statement to the Resolution forming part of Postal Ballot Notice.</p>
Directorship in other Companies & Membership /Chairmanship of Committees of other Boards	None	None
Shareholding in the Company	5,41,766 Equity Shares	Nil
Relationship with Other Directors, Managers and other Key Managerial Personnel of the company	None	None
The number of Meetings of the Board attended during the year (upto and including the date of Board Meeting held on 21 <sup>st</sup> January 2020)	During the FY 2019-20: 7 Board Meetings	During the FY 2019-20: 5 Board Meetings

**Dear Member,**

**Subject:** Instructions for e-voting

Pursuant to the provisions of Sections 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. Members are requested to cast their electronic vote separately under the respective EVEN numbers created separately for fully paid up equity shares and partly paid up equity shares. Members who do not hold partly paid up equity shares will cast their vote only for the EVEN number created for Fully paid up equity shares.

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

EVEN (E-voting Event Number)	UserID	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](mailto:csdhanapal@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
13. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://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 Securities 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 shareholder 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 **Thursday, 5<sup>th</sup> March 2020**. 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 **Friday, 31<sup>st</sup> January 2020**.

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 the 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 **Wednesday, 5<sup>th</sup> February 2020** and ends on 5.00 P.M on **Thursday, 5<sup>th</sup> March 2020**. During this period, the shareholders of the Company holding shares either in physical form or in a dematerialized form, as on the cut-off date, i.e., **Friday, 31<sup>st</sup> January 2020**, 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 will 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 share of the paid-up equity share capital of the Company as on **Friday, 31<sup>st</sup> January 2020**.
5. The results declared along with the Scrutinizer's Report will be placed on the Company's website [www.hap.in](http://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 they shall not vote by Physical Ballot or vice versa. However, in case shareholders do cast their vote/s both by way of Physical Ballot and e-voting, 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. G. Somasundaram

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**

**ItemNo.1:-**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the Members by way of Special Resolution is required every year, if the Remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate Remuneration payable to all the Non-

Executive Directors taken together. Your approval is therefore sought for the remuneration and benefits, payable to Shri. K.S. Thanarajan for the period commencing from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021, as provided below:

- (a) Monthly remuneration of Rs. 6,84,000/- aggregating to Rs. 82,08,000/- for the period from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021;
- (b) Provision of Travelling, Conveyance, Boarding and Lodging Facilities for the services rendered by him periodically.

In addition to coverage under Personal Accident Insurance and Sitting fees for attending the meetings of the Board and its Committees, Shri. K,S. Thanarajan would be entitled to a remuneration as mentioned above and as covered in the proposed Resolution under Item No. 1 and as may be determined by the Board.

Shri K.S. Thanarajan holds 5,41,766 equity shares in the Company. He does not hold any share in the Company on a beneficial basis for any other person. Shri. K.S. Thanarajan and his relatives are interested in the Resolutions. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends the Resolutions for your approval.

**Item No. 2:-**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the Members by way of Special Resolution is required every year, if the Remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Your approval is therefore sought for the remuneration and benefits, payable to Shri. D. Sathyanarayan for the period from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021, as provided below:

- (a) Monthly remuneration of Rs. 50,000/- aggregating to Rs. 6,00,000/- for the period from 1<sup>st</sup> April 2020 till 31<sup>st</sup> March 2021;
- (b) Provision of Travelling, Conveyance, Boarding and Lodging Facilities for the services rendered by him periodically.

In addition to coverage under Personal Accident Insurance and sitting fees for attending the meetings of the Board, Shri. D. Sathyanarayan would be entitled to a remuneration as mentioned above and as covered in the proposed Resolution under Item No. 2 and as may be determined by the Board.

Shri. D. Sathyanarayan does not hold any equity share in the Company. He does not hold any share in the Company on a beneficial basis for any other person. Shri. D. Sathyanarayan and his relatives are interested in the Resolutions. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends the Resolution for your approval.

**Item No. 3:-**

Hatsun Agro Product Limited (“the Company”) came out with a Rights Issue of 95,10,519 Equity Shares of Re.1 each at a premium of Rs.554 per share on June 14, 2018 offering the Shares for subscription to the existing Equity Shareholders of the Company in the ratio of 1 Equity Share for every 16 Equity Shares held in the Company on which Application Money was fixed as Re.0.80 per Rights Equity Share with a premium of Rs.443.20 per share which amounted to 80% of the total issue price and subsequently Partly paid up Equity Shares were allotted to the eligible applicants and the Shares were allotted to them on 12<sup>th</sup> July, 2018.

The Board of Directors of the Company at its Meeting held on 22nd October, 2019 decided to issue Notice of First and Final Call Money for collecting the balance amount of Re.0.20 per Equity Share with a premium of Rs.110.80 per Equity Share and fixed the record date for issue of Notice to Shareholders as 2nd November, 2019 for making the payment of Rights Call Money up to 10th December, 2019 to enable conversion of partly paid up Rights Equity Shares in to Fully paid up Rights Equity Shares. Pursuant to the above said Notice, majority of Shareholders holding partly paid up Rights Equity Shares made the payment of First and Final Call Money and 9472144 partly paid up Rights Equity Shares (out of the total of 9510519 partly paid up Rights Equity Shares) were converted in to fully paid up Equity Shares.

The Board of Directors of the Company at its Meeting held on 18<sup>th</sup> December, 2019 decided to issue Final Demand Cum Forfeiture Call Notice to the Shareholders holding 38,375 partly paid up Rights Equity Shares (who did not make the payment within the due date mentioned above) giving them extended timelines for payment of Rights Call Money up to 15<sup>th</sup> February 2020 (“Final Due Date”). Further, the Board at its Meeting held on 21<sup>st</sup> January, 2020 decided to extend the period of payment of Rights Call Money (to the Shareholders who fail to pay even by 15<sup>th</sup> February, 2020) up to 30<sup>th</sup> April, 2020. Failure of payment of Rights Call Money even after the extended timelines said above will attract forfeiture and the Shares on which the payment of Rights Call Money is still pending shall be forfeited by the Board for non-payment of First and Final Call money, in accordance with the Letter of Offer and in terms of the Articles of Association of the Company.

After the process of Forfeiture of partly paid up Rights Equity Shares on which the Call Money is still pending, the Board may Re-issue the Forfeited Shares. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the Members is required for Re-issue of Forfeited Shares and accordingly consent of the members is sought to be accorded to the Board of Directors of the Company to Re-issue the forfeited partly paid up Rights Equity Shares to any person/s as the Board may think proper.

The Board recommends the Resolution for your approval.

**By Order of the Board**  
**For HATSUN AGRO PRODUCT LIMITED**  
**SD/-**  
**G. SOMASUNDARAM**  
**COMPANY SECRETARY**

Place: Chennai

Date: 21<sup>st</sup> January 2020

Encl : 1. Postal Ballot Form  
2. Pre-paid self-addressed Envelope.