

HAP | Hatsun Agro Product Limited

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HAPL\SEC\43\2025-26

November 10, 2025

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National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
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Bandra(E), Mumbai – 400 051

Stock Code: BSE: 531531
NSE: HATSUN

Dear Sir / Madam,

Sub: Transcript of the Interview given by Mr. R G Chandramogan, Chairman of the Company to ET Now on November 4, 2025

Ref: Our Office Letter Ref No: HAPL\SEC\41\2025-26 dated November 5, 2025

Pursuant to Regulation 30 – Schedule III, Part A, Para A, item 15(b)(iii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the transcript of the interview of Mr. R G Chandramogan, Chairman of the Company given to ET Now on November 4, 2025 is enclosed for your information and records.

This information is also hosted on the Company's website at <https://www.hap.in/investor-meetings-and-quarterly-calls.php> as per Regulation 46(2)(oa)(iii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you.

Yours faithfully,
For Hatsun Agro Product Limited

C Subramaniam
Company Secretary and Compliance Officer

Hatsun Agro Product Limited



Transcript of the Interview given by Mr. R G Chandramogan, Chairman of the Company to ET Now on November 4, 2025

Duration	ET Now	Mr. R G Chandramogan
Slot 1	First up, our big exclusive. It's brand strength and retail distribution and not the number of value added products launched that will eventually stand out as a key differentiator in the dairy market. That's the word coming in from Hatsun Agro's Chairman RG Chandramogan. Earlier today, I sat down with the Hatsun Agro Boss at the dairy major's headquarters in Chennai, where Chandramogan broke down HAP's expansion strategy and distribution game plan. He also said that Hatsun Agro would make a foray into the high protein product category in the next 3 to 6 months. Here's a slice of that conversation.	Earlier it was only used to be milk and curd. Now gradually probably paneer has emerged and cheese has come and the protein products are coming in. Products will just have a better percentage of share compared to milk and those people who are making it at home they will start buying it from the organized players. The market is moving towards the products.
Slot 2	Absolutely. Market is moving towards like you said value added products more organized players. That's been the running discourse in the recent time. But before we actually start discussing the nitty-gritties of the dairy business as it finds itself today, I should ask you about this focus and may I see this obsession with protein that you see a lot of Indian consumers evincing now than before. Is there a shift that you're witnessing in the Indian dairy ecosystem when it comes to high protein product launches? Is that something that's happening at Hatsun?	Definitely happening and we are focusing on that. In the 3 to 6 months we'll be introducing a range of products on the high protein. Our production facilities are getting harnessed to do that and the work is already on. Within the next 3 months you can expect products from Hatsun.
Slot 3	Right. And in the overall dairy space itself, how do you see product launches and product pipelines reorienting itself towards this clear consumer interest? What percentage of the overall dairy business's product space do you actually see being dominated by protein products?	The product base has been very low earlier. So compared to that the emergence of products are happening right now. That's one thing good about it. But this particularly requires a complete refrigerated chain. To do that. Fortunately for us, we do have that refrigerated chain in place. We are the only dairy company for

		<p>transporting milk and curd in the 100% refrigerated conditions. We already have the infrastructure. Our ice cream has got enough infrastructure of cold storages and freezers and we are well pleased to take advantage of the new products. New products requests piggy packing of the existing distribution where we have the distribution. We believe that this will help.</p>
Slot 4	<p>Right and even as the market for protein is being discussed as well or high protein products rather Paneer and Milk-based Ice creams as well continue to hold their own. But before I come into any of these discussions, I want to quickly ask you about how the entire ratio between pure play dairy and value added dairy products stack up. There's been a whole lot of discussion and discourse with regard to what dairy players should focus on more. And while some legacy players continue to keep their focus solely on dairy, a lot of new age entrance are talking about keeping the focus on value added products as a means of taking business forward and growing business. Really where do you stand with regard to.</p>	<p>Actually we do have product ranges that are getting introduced in the future and our existing products are having an ultimate leadership. Say for example in milk we are the top seller selling milk of the private players in the entire country. And in Ice cream we are one among the top two in the country. Our Ibaco is also in the premium category of foreigner models we are one among the two. On the cultured products like fresh yogurt and that is curd and yogurt. We are one among the top three in the country including two cooperatives and among the private we are the leading. And we intend to just introduce the new products based on the strength of our existing distribution which can really take us to the next level.</p>
Slot 5	<p>Right. And yet the ratio between dairy and value added dairy products for you would be in the uh 65 to 35 range. Correct me if I'm wrong.</p>	<p>Right now probably it may be 55 to 45 but probably the 45 may start growing better than that percentage.</p>
Slot 6	<p>Right. And let me look at EBITA numbers you and you compare yourself and compete the competition in South India. You're actually and I'm taking a look at the numbers here. You see multiple competitors having merely a fraction of where you stand right now in terms of EBITA. So what does that tell you with regard to this split between dairy and value added dairy and where these numbers head to as far as the market?</p>	<p>Actually I will not say value added is giving the margin for us. I'll say the brands are giving value for us. Two things that are happening to us is we have got three successful Brands which are more than 1,000 crores per annum. Not only that, we have got about 4,300 outlets of our own distribution. They are Dealer cum Distributor. We have cut a layer of distribution and these Retail outlets are the real backbone</p>

		<p>of our strength. These retail outlets, we sell 18 to 20% of the consumer buying through these own outlets, right? And nobody else has got these facilities in the entire country irrespective of whether they are cooperative or corporate. This is actually able to crush the cost. This is one of the reasons compared to industry we are almost double the EBITA of the industry in general mainly because of the leading brands what we have retail network what we have built and the value addition as far as I am concerned is if it is going to be Paneer or cheese my feeling is Paneer or cheese if it is sold to the consumer it's a value added item and if it is sold to the Horeca the value addition goes to the Horeca not for the guy who is supplying Paneer. Those people they negotiate a steep discounted prices and they ask for credits. Our balance sheet is very clean and at the end of the year we don't have any receivables. Where by supplying to Horeca, receivables are much more. So our focus is on consumer products branded distributed. See marketing is also requiring the distribution muscles. Because of these outlets we are able to directly distribute removing a layer that makes the difference compared to everybody.</p>
Slot 7	<p>Right and even as your focus continues to lie in this space, I often wonder, do you see the overall dairy industry also moving in this space do you actually see brands being focused on value added products continue to see their share rise in the overall ratios where what do you make of this?</p>	<p>See niche products probably they create some volume but beyond that the scaling becomes problem for them because of the infrastructure lagon. As a company infrastructure alone, I'm not talking about the manufacturing. We have invested something like 1,200 crores in the last 7-8 years. This is only holding us good. Either you take refrigerated or frozen. It requires a continuous flow of things. If you don't have continuous flow of things, the</p>

		product may get spoiled irrespective of the manufacturer making a good product. Consumer may not receive a good product. So this infrastructure is the backbone of the industry.
Slot 8	Right. Let's quickly talk about a few more product categories. Both Arun Ice Cream and Ibaco, two of your big brands that you continue to bank on when it comes to you know value added products. Where do you see your expansion strategy on both these fronts going from here? Do you hope to launch more outlets, more such products in this space? What is the plan on that front?	See we do have about 820-834 numbers of Ice cream franchises operating at different states. Our Arun ice cream is available in 15 states. We intend to take it to a larger number of 1200 in a matter of next two years. And Ice cream outlets if you take Ibaco 226 outlets are there. This we can easily take it to 280 or 300 in the next two years. So this is for the Ice cream and for the Milk and Curd we are still doing it. We already have about 4,000 outlets and we intend to take it to 5,000 outlets in the next two years.
Slot 9	And speaking about the overall market for both ice cream and Paneer but more specifically Paneer for a long time it wasn't exactly seen as a great product category for South India itself but so much of that has changed in recent times. I think Paneer consumption in the five southern states has moved and climbed by leaps and bounds. Where do you see the growth for this segment and this category?	No, this segment will definitely do a double digit growth plus without any difficulty. And most of the growth is also happening in Horeca where probably they get people go to the hotel they get varieties of food and all that right cooking it comes from the educated ladies to convert to Paneer and it will start percolating down to everybody. So this is a market that is growing no doubt about it.
Slot 10	So, even as we're speaking right now, there's so much activity happening in the dairy space itself. You've had a legacy player like Amul ruling the rules for a long time. You've had multiple players in South India also keeping pace if not giving stiff competition and you're seeing newer entrance like Milky Mist also apply for IPOs and looking to hit the next level of business. Really. In the face of all of this competition, what do you think would be the clear differentiator that can easily make brands and companies distinguishable and what do you think would be the one key to success by way of the differentiator itself?	We have certain more advantages what we have built over the period like proper infrastructure before anybody is looking at infrastructure we have done it. Brand building is the biggest exercise on these type of businesses and we have built three brands and we can introduce a new brand where it can have a piggy ride on the distribution muscles of the existing product. Most important thing is the retail outlets where we have access to consumers who can come and buy from us. Right. We are in a position

		to just short circuit from the time of production to the time of sales. We can reduce it substantially with retail outlets. This is our key strength and we believe that these strength will be useful for the future.
Slot 11	Right. And are these features going to also then differentiate between the competition brands and availability distribution.	Brand availability and all that is one part of it. Product development is the major part that we have to keep on evolving and we are doing it with our product development center. And you can see our product development center in the head office itself. If you are free you can just have a show.
Slot 12	Sure I'd love to. But moving forward itself, you spoke about distribution and how the time from product to actually go on to you know a purchase is so shortened by way of distribution. Where do you see your distribution network expanding going forward? What is that future outlook going to be like?	See we are available in six states with the 23 factories. Orissa, Maharashtra. Orissa on the east and Maharashtra on the west. And apart from that four other states are Tamil Nadu, Andhra, Karnataka and Telangana. We have got factories and we have got distribution vessels. And these places are going to expand further capacity like eastern market from Orissa we may go to Kolkata. With milk curd and products. So the eastern market has got a way through our acquiring, Milk Mantra we acquired last year. So these are all going to be the future generators of revenue and income.
Slot 13	Right. And in terms of revenue growth itself since you bring about revenue where do you see the market growing from here and where does Hatsun Agro also grow?	See market is having a phased growth of about 8 to 10%. But my feeling is that we will be able to outpace them because last quarter itself we have done 17 and a half%. But it is too early to say that probably what would be the percentage but compared to peers we'll be able to do better because of the infrastructure what we have built and we are in a position to get into the markets much more easily. A new product introduction I can just put it in 4,300 retail showroom straight away. That's the advantage.

Slot 14	The first mover advantage of course that you have is no doubt a very big factor. But moving forward itself, are there any headwinds or challenges that you foresee towards growth itself? At least in this time and place as far as the dairy,	I'm not looking at any headwinds except like COVID and weather conditions which are all beyond us. So geographically we didn't expect COVID. We didn't expect weather conditions to change. So there may be minor setbacks but available circumstances how to do better than anybody. That is the way that we look at it.
Slot 15	So if you look forward then what's the one key trend that will underline the dairy business going forward what do you think will be the one thing to account for value added products we spoke about good brands distribution Paneer is a factor too what do you think would be some of the key features	In my feeling any product unless it is branded and sold to the consumer the margins are not there and there are some niche products which are doing a minimum turnover beyond that scaling becomes a challenge because of the infrastructure or branding and all that. We do have this infrastructure and we are ready to just do the placement. And going forward in our feeling infrastructure, retail outlets are the key for us to just expand the market which we are doing it.
Slot 16	Right and in this whole debate between pure play dairy and value added dairy currently	Value added dairy in my opinion, I completely defer this value added is a myth that has been created if that is going to be a value added dairy I can say 98% of my business is value added. Right? And there is no other company which can claim 98% of the business as value added. Right? Our anything that is branded and it is sold to the consumer as far as possible removing the middleman. It's a value added item. Absolutely. And we have 98% of the sales.
Slot 17	Well, there's no value added dairy and the power of the dairy industry will be determined by the strength of brands and pure play distribution power. That's the word coming in there from RG Chandramogan of Hatsun Agro.	