

HAP\SEC\21\2020-21

21-July-2020

**BSE Limited**  
**Corporate Relationship Department**  
**2nd Floor, New Trading Ring,**  
**Phiroze Jeejeebhoy Towers,**  
**Dalal Street, Mumbai - 400 001**

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

**Stock Code: BSE: 531531**  
**NSE: HATSUN**

Dear Sir / Madam,

**Sub: Outcome of the Board Meeting held today i.e July 21, 2020 – Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June 2020 and Interim Dividend - Reg**

**Ref: Our Office letter Ref. No. HAP\SEC\18\2020-21 dated 13-July-2020**

The Board of Directors of the Company at its meeting held today, i.e 21-July-2020, has inter-alia:

1. Approved the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2020. A copy of the Unaudited Financial Results as per SEBI format and the Limited Review Report of the Statutory Auditors of the Company for the quarter ended 30<sup>th</sup> June, 2020 are enclosed pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. Declared an interim dividend of Rs. 8 per equity share (800%) (on the fully paid up equity shares of the face value of Re. 1 per share) and Rs. 6.4 per equity share (800%) (on the partly paid up equity shares of the face value Re. 1/- per share (paid up to the extent of Re. 0.80 per share), which includes a one time special dividend of Rs. 4 per equity share (400%) (on the fully paid up equity shares of the face value of Re. 1 per share) and Rs. 3.2 per equity share (400%) (on the partly paid up equity shares of the face value of Re. 1/- per share (paid up to the extent of Re. 0.80 per share) on the occasion of Golden Jubilee (50<sup>th</sup> Year) celebrations of the Company. This is the first interim dividend declared by the Board for the financial year 2020-21.
3. Fixed 29<sup>th</sup> July, 2020 as Record Date towards payment of Interim Dividend. The Interim Dividend will be paid on or before 20<sup>th</sup> August, 2020.
4. Fixed the date of convening the 35<sup>th</sup> Annual General Meeting (AGM) of the Company as Thursday, the 24<sup>th</sup> September, 2020 through Video Conferencing / Other Audio Visual Means.



5. Approved the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company and authorized Mr. G.Somasundaram, Company Secretary of the Company to issue the same to the shareholders of the Company.
6. Fixed 17<sup>th</sup> September, 2020 as the cut-off date for the purpose of determining the members eligible to vote for the resolutions placed before the ensuing AGM.

We also wish to bring to the notice of the Exchange that the Board Meeting commenced at 11.45 A.M and concluded at 3.40P.M today.

Kindly take the above information on record.

Thanking you.

Yours faithfully,

**For Hatsun Agro Product Limited**

  
**R.G. Chandramogan**  
**Managing Director**  
**DIN: 00012389**

HATSUN AGRO PRODUCT LIMITED  
CIN: L15499TN1986PLC012747  
REGD.OFFICE: DOMAINE, DOOR NO. 1/20A, RAJIV GANDHI SALAI (OMR), KARAPAKKAM, CHENNAI - 600 097  
Phone : 044-24501622; Fax: 044-24501422  
E-mail: secretarial@hatsun.com; Website: www.hap.in

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(Rs. in Lakhs except EPS)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year Ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Unaudited	(Refer Note 4)	Unaudited	Audited
<b>Income</b>				
Revenue from operations	1,27,927.79	1,26,637.70	1,42,322.41	5,30,833.44
Other income	142.64	(382.36)	869.41	865.10
<b>Total income</b>	<b>1,28,070.43</b>	<b>1,26,255.34</b>	<b>1,43,191.82</b>	<b>5,31,698.54</b>
<b>Expenses</b>				
Cost of raw materials consumed	88,888.34	86,753.50	88,366.98	3,68,496.97
Purchases of stock-in-trade	52.34	134.40	60.82	268.89
Changes in the inventories of finished goods, stock-in-trade and work-in-progress	(52.02)	3,988.24	11,267.69	7,333.46
Employee benefits expense	4,642.66	4,315.61	4,155.12	16,770.77
Finance costs	2,747.67	2,787.08	2,493.28	10,585.07
Depreciation and amortization expense	8,007.51	7,806.80	6,877.87	29,648.16
Other expenses	15,499.57	19,614.94	22,200.53	82,955.88
<b>Total expense</b>	<b>1,19,786.07</b>	<b>1,25,400.57</b>	<b>1,35,422.29</b>	<b>5,16,059.20</b>
<b>Profit before tax</b>	<b>8,284.36</b>	<b>854.77</b>	<b>7,769.53</b>	<b>15,639.34</b>
<b>Tax expense</b>				
- Current tax	3,314.36	639.88	2,357.67	5,280.00
- Income tax relating to earlier period	-	-	-	(821.43)
- Deferred tax (Net)	(640.56)	(580.73)	292.72	(46.40)
<b>Income Tax Expense</b>	<b>2,673.80</b>	<b>59.15</b>	<b>2,650.39</b>	<b>4,412.17</b>
<b>Profit for the period</b>	<b>5,610.56</b>	<b>795.62</b>	<b>5,119.14</b>	<b>11,227.17</b>
<b>Other Comprehensive Income:</b>				
(i) Items not to be reclassified to profit or loss in subsequent periods				
- Re-measurement loss/(gains) on employee defined benefit plans	-	76.74	-	76.74
- Income tax effect	-	(26.85)	-	(26.85)
<b>Net items not to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>49.89</b>	<b>-</b>	<b>49.89</b>
(ii) Other comprehensive income that will be reclassified to profit or loss in subsequent periods:				
- Net movement in cash flow hedges	(13.60)	119.62	-	175.51
- Income tax effect	4.75	(41.80)	-	(61.32)
<b>Net items to be reclassified to profit or loss in subsequent periods</b>	<b>(8.85)</b>	<b>77.82</b>	<b>-</b>	<b>114.19</b>
<b>Total comprehensive income for the period</b>	<b>5,619.41</b>	<b>667.91</b>	<b>5,119.14</b>	<b>11,063.09</b>
Paid-up Equity share capital	1,617.11	1,617.11	1,598.10	1,617.11
Other Equity (excluding revaluation reserve)				88,830.79
Earnings Per Share ( Face value of Re. 1/- per share) Not annualised				
(a) Basic	3.50	0.50	3.17	6.99
(b) Diluted	3.47	0.49	3.17	6.94

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For HATSUN AGRO PRODUCT LTD.

*Neel Chandran*

Managing Director

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2020**

**Notes:**

- 1 Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Company has identified Milk & Milk products as its reportable segment. Others primarily comprises Cattle feed and Ready to eat products segments.

(Rupees in lakhs)					
S.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		Unaudited	(Refer Note 4)	Unaudited	Audited
A	<b>Segment Revenue</b>				
	(a) Milk & Milk products	1,17,354.55	1,17,140.67	1,33,562.41	4,90,959.41
	(b) Others	10,573.24	9,497.03	8,760.00	39,874.03
	<b>Net Sales/ Income from Operations</b>	<b>1,27,927.79</b>	<b>1,26,637.70</b>	<b>1,42,322.41</b>	<b>5,30,833.44</b>
B	<b>Segment Results</b>				
	(a) Milk & Milk products	12,022.20	6,129.95	10,911.97	31,919.79
	(b) Others	(914.59)	(2,290.30)	(509.65)	(5,560.95)
	<b>Total Segment Results</b>	<b>11,107.61</b>	<b>3,839.65</b>	<b>10,402.32</b>	<b>26,358.84</b>
	Less: Finance costs	2,747.67	2,787.08	2,493.28	10,585.07
	Add: Interest income	92.49	47.04	121.60	311.20
	Net un-allocable expenditure /(income)	168.07	244.84	261.11	445.63
	<b>Total Profit before tax</b>	<b>8,284.36</b>	<b>854.77</b>	<b>7,769.53</b>	<b>15,639.34</b>
C	<b>Segment Assets</b>				
	(a) Milk & Milk products	2,23,970.46	2,28,542.82	2,08,944.42	2,28,542.82
	(b) Others	26,667.88	30,869.24	20,707.73	30,869.24
	(c) Unallocated	11,289.29	12,014.23	4,790.29	12,014.23
	<b>Total Segment Assets</b>	<b>2,61,927.63</b>	<b>2,71,426.29</b>	<b>2,34,442.44</b>	<b>2,71,426.29</b>
D	<b>Segment Liabilities</b>				
	(a) Milk & Milk products	49,471.98	50,768.66	36,658.24	50,768.66
	(b) Others	4,229.85	3,867.13	3,505.16	3,867.13
	(c) Unallocated	1,12,158.49	1,26,342.60	1,12,544.65	1,26,342.60
	<b>Total Segment Liabilities</b>	<b>1,65,860.32</b>	<b>1,80,978.39</b>	<b>1,52,708.05</b>	<b>1,80,978.39</b>
E	<b>Net Capital employed</b>	<b>96,067.31</b>	<b>90,447.90</b>	<b>81,734.39</b>	<b>90,447.90</b>

- 2 The above unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 21, 2020.
- 3 The Board of Directors, at its meeting held on July 21, 2020 has declared an interim dividend of Rs.8 per equity share (800%) (on the fully paid up equity shares of the face value of Re.1 per share) and Rs.6.4 per equity share (800%) (on the partly paid up equity shares of the face value Re.1/- per share (paid up to the extent of Re. 0.80 per share), which includes a one time special dividend of Rs.4 per equity share (400%) (on the fully paid up equity shares of the face value of Re.1 per share) and Rs.3.2 per equity share (400%) (on the partly paid up equity shares of the face value of Re.1/- per share (paid up to the extent of Re. 0.80 per share) on the occasion of Golden Jubilee (50th Year) celebrations of the Company. This is the first interim dividend declared by the Board for the financial year 2020-21.
- 4 Figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of full financial year and the published year to date figure of nine months ended December 31, 2019.
- 5 Pursuant to the allotment of 95,10,519 Rights Equity Shares (@ Re.0.80 per Equity Share with a Share Premium of Rs.443.20 per Equity Share) of the Company on July 12, 2018, the Company made the First and Final Call during the third quarter of the financial year 2019 - 20 for receipt of balance money to be received in respect of partly paid up Rights Equity Shares. In response to the above said First and Final Call, the majority of Equity Shareholders holding Partly paid up Rights Equity Shares made the payment to the extent of Rs.10,548.46 lakhs for 95,03,121 Equity Shares (Re.0.20) towards face value and Rs.110.80 towards Share Premium). Shareholders holding partly paid up Rights Equity Shares totaling to 7,398 Equity Shares are yet to make the Call Money payment as of March 31, 2020 and the Board of the Company had extended the time up to April 30, 2020 for collecting the Call Money. Considering the Covid 19 pandemic, the Board has decided to continue to collect the payment even if it is received belatedly until the normalcy is restored. The Board will review the situation and decide on forfeiture of partly paid up Rights Equity Shares on which the balance call money is still pending. The Company has received the Listing approval for listing 94,72,144 Equity Shares and 30,977 Equity Shares which were converted to fully paid up Equity Shares upon receipt of Rights Call Money from National Stock Exchange of India Limited (NSE) on January 13, 2020 and April 17, 2020 respectively and BSE Limited(BSE) on January 17, 2020 and April 24, 2020 respectively.
- 6 The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial results in determining the impact on various elements of its financial results relating to COVID-19 pandemic. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables, inventories, other financial assets and other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

Place : Chennai  
Date : July 21, 2020

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For HATSUN AGRO PRODUCT LTD.

*N. Chandramohan*

Managing Director

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF HATSUN AGRO PRODUCT LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **HATSUN AGRO PRODUCT LIMITED** ("the Company"), for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Ananthi Amarnath**  
(Partner)

(Membership No. 209252)  
(UDIN: 20209252AAAAGU1109)

Place: Chennai  
Date: July 21, 2020