



**Hatsun Agro Product Ltd.**  
Registered Office:  
Domaine, Door No: 1/20A,  
Rajiv Gandhi Salai (OMR),  
Karapakkam, Chennai - 97. India.  
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E: info@hap.in | www.hap.in  
CIN: L15499TN1986PLC012747

22<sup>nd</sup> October 2019

HAP\SEC\720\2019-20

BSE Limited  
Corporate Relationship Department,  
2<sup>nd</sup> 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. 22<sup>nd</sup> October 2019 - Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September 2019:**

The Board of Directors of the Company at their meeting held today, i.e. 22<sup>nd</sup> October 2019, has approved the Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2019.


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 and half year ended 30<sup>th</sup> September, 2019 is enclosed pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

We request you to take the above information on record.

We also wish to bring to the notice of the Exchange that the Board Meeting commenced at 03:30 PM and concluded at 6:00 PM today.

Thanking you,

Yours faithfully,  
**for HATSUN AGRO PRODUCT LIMITED**

  
**R.G.Chandramogan**  
Managing Director



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](mailto:secretarial@hatsun.com); Website: [www.hap.in](http://www.hap.in)  
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

(Rupees in lakhs except EPS)

Particulars	Quarter ended September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half year ended September 30, 2019	Half year ended September 30, 2018	Year ended March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Income</b>						
Revenue from operations	1,27,854.95	1,42,322.41	1,18,710.12	2,70,177.36	2,42,277.85	4,76,029.89
Other income	173.00	869.41	50.74	1,042.41	120.63	604.85
<b>Total income</b>	<b>1,28,027.95</b>	<b>1,43,191.82</b>	<b>1,18,760.86</b>	<b>2,71,219.77</b>	<b>2,42,398.48</b>	<b>4,76,634.74</b>
<b>Expenses</b>						
Cost of raw materials consumed	94,895.38	88,366.98	81,774.30	1,83,262.36	1,63,294.31	3,28,959.00
Purchases of stock-in-trade	53.13	60.82	11.81	113.95	21.34	60.93
Changes in the inventories of finished goods, stock-in-trade and work-in-progress	(5,186.92)	11,267.69	2,039.43	6,080.77	7,128.46	5,237.02
Employee benefits expense	4,178.65	4,155.12	3,952.82	8,333.77	7,793.45	15,592.35
Finance costs	2,531.58	2,493.28	1,927.61	5,024.86	4,522.53	8,572.39
Depreciation and amortization expense	7,194.12	6,877.87	4,886.15	14,071.99	9,725.71	20,059.32
Other expenses	20,336.01	22,200.53	18,582.00	42,536.54	39,405.17	82,035.40
<b>Total expense</b>	<b>1,24,001.95</b>	<b>1,35,422.29</b>	<b>1,13,174.12</b>	<b>2,59,424.24</b>	<b>2,31,890.97</b>	<b>4,60,516.41</b>
<b>Profit before tax</b>	<b>4,026.00</b>	<b>7,769.53</b>	<b>5,586.74</b>	<b>11,795.53</b>	<b>10,507.51</b>	<b>16,118.33</b>
<b>Tax expense</b>						
- Current tax	1,838.55	2,357.67	1,920.21	4,196.22	3,427.37	4,627.55
- Deferred tax (Net)	(336.15)	292.72	(159.80)	(43.43)	(531.80)	6.11
<b>Income Tax Expense</b>	<b>1,502.40</b>	<b>2,650.39</b>	<b>1,760.41</b>	<b>4,152.79</b>	<b>2,895.57</b>	<b>4,633.66</b>
<b>Profit for the period</b>	<b>2,523.60</b>	<b>5,119.14</b>	<b>3,826.33</b>	<b>7,642.74</b>	<b>7,611.94</b>	<b>11,484.67</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	-	-	-	-	-	157.44
- Income tax effect	-	-	-	-	-	(55.01)
<b>Net items not to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102.43</b>
(ii) Other comprehensive income that will be reclassified to profit or loss in subsequent periods:						
- Net movement in cash flow hedges	55.00	-	(4.29)	55.00	(8.42)	(64.59)
- Income tax effect	(19.22)	-	1.51	(19.22)	2.94	22.34
<b>Net items to be reclassified to profit or loss in subsequent periods</b>	<b>35.78</b>	<b>-</b>	<b>(2.78)</b>	<b>35.78</b>	<b>(5.48)</b>	<b>(42.25)</b>
<b>Total comprehensive income for the period</b>	<b>2,487.82</b>	<b>5,119.14</b>	<b>3,829.11</b>	<b>7,606.96</b>	<b>7,617.42</b>	<b>11,424.49</b>
Paid-up Equity share capital	1,598.10	1,598.10	1,598.10	1,598.10	1,598.10	1,598.10
Other Equity (excluding revaluation reserve)						78,869.55
Earnings Per Share (Face value of Re. 1/- per share) Not annualised						
(a) Basic	1.58	3.17	2.38	4.78	4.83	7.19
(b) Diluted	1.56	3.17	2.38	4.73	4.83	7.19



For HATSUN AGRO PRODUCT LTD.

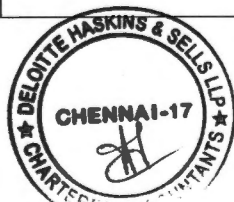
*R. Chandramog*

Managing Director

**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 AND HALF YEAR ENDED SEPTEMBER 30, 2019**

**STATEMENT OF ASSETS AND LIABILITIES - (Refer Note 3)**

		(Rupees in lakhs)	
Particulars	As at September 30, 2019 Unaudited	As at March 31, 2019 Audited	
<b>Assets</b>			
<b>Non Current Assets</b>			
(a) Property, plant and equipment	1,63,045.32	1,39,528.04	
(b) Capital work in progress	28,068.85	23,315.09	
(c) Goodwill	774.12	774.12	
(d) Other Intangible assets	469.29	478.51	
(e) Financial assets			
(i) Investments	12.00	12.00	
(ii) Other financial assets	4,669.37	4,473.61	
(f) Other non-current assets	2,467.87	1,442.11	
(g) Non-current tax assets	-	486.27	
<b>Total Non-current assets</b>	<b>1,99,506.82</b>	<b>1,70,509.75</b>	
<b>Current assets</b>			
(a) Inventories	30,117.01	40,340.71	
(b) Financial assets			
(i) Trade receivables	1,971.03	825.13	
(ii) Cash & cash equivalents	3,215.42	3,641.08	
(iii) Others financial assets	2,310.64	853.18	
(c) Other current assets	5,022.07	8,412.99	
<b>Total Current assets</b>	<b>42,636.17</b>	<b>54,073.09</b>	
<b>Total assets</b>	<b>2,42,142.99</b>	<b>2,24,582.84</b>	
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	1,598.10	1,598.10	
(b) Other equity	78,771.74	78,869.55	
<b>Total Equity</b>	<b>80,369.84</b>	<b>80,467.65</b>	
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	67,998.89	50,239.50	
(b) Deferred tax liabilities (net)	3,906.38	3,969.03	
(c) Other non-current liabilities	300.42	61.01	
<b>Total non-current liabilities</b>	<b>72,205.69</b>	<b>54,269.54</b>	
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21,363.36	23,422.37	
(ii) Trade payables			
• Total outstanding dues of micro enterprises and small enterprises	0.18	2.76	
• Total outstanding dues of creditors other than micro enterprises and small enterprises	17,655.09	17,760.09	
(iii) Other Financial liabilities	45,322.11	44,469.77	
(b) Provisions	623.85	417.19	
(c) Current tax liabilities	1,694.18	-	
(d) Other current liabilities	2,908.69	3,773.47	
<b>Total current liabilities</b>	<b>89,567.46</b>	<b>89,845.65</b>	
<b>Total Liabilities</b>	<b>1,61,773.15</b>	<b>1,44,115.19</b>	
<b>Total Equity and Liabilities</b>	<b>2,42,142.99</b>	<b>2,24,582.84</b>	



For HATSUN AGRO PRODUCT LTD.  
*Ny Chandrasekhar*  
 Managing Director

<b>HATSUN AGRO PRODUCT LIMITED</b> <b>CIN: L15499TN1986PLC012747</b> <b>REGD.OFFICE: DOMAINE, DOOR NO. 1/20A, RAJIV GANDHI SALAI (OMR), KARAPAKKAM, CHENNAI - 600 097</b> <b>Phone : 044-24501622; Fax: 044-24501422</b> <b>E-mail: secretarial@hatsun.com; Website: www.hap.in</b> <b>UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019</b> <b>STATEMENT OF CASH FLOWS</b>		
(Rupees in lakhs)		
Particulars	For the period ended September 30, 2019	For the period ended September 30, 2018 (Refer Note 4)
<b>Cash flows from operating activities</b>		
Net profit before taxation	11,795.53	10,507.51
Adjustments for:		
Depreciation and Amortisation expense	14,071.99	9,725.71
Profit on sale of Property, Plant & Equipment (net)	(89.27)	(40.33)
Interest income	(188.17)	(57.23)
Gain on redemption of Mutual Fund investments	(2.58)	-
Finance costs	5,024.86	4,522.53
<b>Operating profit before working capital changes</b>	<b>30,612.36</b>	<b>24,658.19</b>
(Increase)/Decrease in Inventories	10,223.70	10,573.22
(Increase)/Decrease in Trade receivables	(1,145.90)	(317.61)
(Increase)/Decrease in Other financial assets	(1,651.18)	(1,083.54)
(Increase)/Decrease in Other current assets	3,327.58	391.82
Increase/(Decrease) in Other financial liabilities	2,683.21	(5,200.09)
Increase/(Decrease) in current and non-current liabilities	(734.97)	(200.68)
Increase/(Decrease) in Provisions	206.66	61.71
<b>Cash generated from operations</b>	<b>43,521.47</b>	<b>28,883.02</b>
Direct taxes paid (net of refunds)	(2,015.76)	(1,706.21)
<b>Net cash from operating activities</b>	<b>41,505.71</b>	<b>27,176.81</b>
<b>Cash flows (used in) / from investing activities</b>		
Purchase of Property, Plant & Equipment (including capital work in progress)	(23,062.23)	(17,053.51)
Increase in bank balances not considered as cash & cash equivalents	(12.00)	(266.82)
Proceeds from sale of Investment	-	0.57
Purchase of Mutual Fund investments	(4,150.00)	-
Proceeds from sales of Mutual fund investments	4,152.58	-
Proceeds from sale of Property, Plant & Equipment	172.31	84.74
Interest received	188.17	57.23
<b>Net cash (used) in investing activities</b>	<b>(22,711.17)</b>	<b>(17,177.79)</b>
<b>Cash flows (used in) / from financing activities</b>		
Term loans availed during the period	14,610.00	6,540.29
Term loans repaid during the period	(19,053.54)	(21,446.01)
Short term loans availed during the period	88,206.96	1,15,276.21
Short term loans repaid during the period	(83,080.29)	(1,38,778.15)
Increase/(decrease) in Other short term borrowing availed from banks	(7,185.68)	(2,860.21)
Proceeds from rights issue of shares	-	41,845.88
Dividends paid including tax on dividends	(7,704.77)	(5,503.41)
Public deposits repaid during the period	-	(0.71)
Interest and finance charges paid	(5,024.86)	(4,522.53)
<b>Net cash from/ (used) in financing activities</b>	<b>(19,232.18)</b>	<b>(9,448.64)</b>
Net (decrease) / increase in cash and cash equivalents	(437.65)	522.00
Cash and cash equivalents at the beginning of the period	3,264.92	3,150.38
<b>Cash and cash equivalents at the end of the Period</b>	<b>2,827.27</b>	<b>3,672.38</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents as per Balance sheet	3,215.42	4,073.01
Less: Bank balances not considered as cash and cash equivalents		
- in unpaid dividend accounts (restricted)*	(101.30)	(105.32)
- Bank deposits having maturity of more than 3 months	(286.85)	(295.31)
	<b>2,827.27</b>	<b>3,672.38</b>

\* These balances are not available for use by the company as they represent corresponding unpaid dividend liabilities.



For HATSUN AGRO PRODUCT LTD.

*N. Chandrasekar*  
Managing Director

**HATSUN AGRO PRODUCT LIMITED**  
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**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

**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 September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half Year ended September 30, 2019	Half Year ended September 30, 2018	Year ended March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	<b>Segment Revenue</b>						
	(a) Milk & Milk products	1,17,362.51	1,33,562.41	1,11,581.91	2,50,924.92	2,28,311.38	4,45,556.11
	(b) Others	10,492.44	8,760.00	7,128.21	19,252.44	13,966.47	30,473.78
	<b>Net Sales/ Income from Operations</b>	<b>1,27,854.95</b>	<b>1,42,322.41</b>	<b>1,18,710.12</b>	<b>2,70,177.36</b>	<b>2,42,277.85</b>	<b>4,76,029.89</b>
B	<b>Segment Results</b>						
	(a) Milk & Milk products	7,476.91	10,911.97	7,251.62	18,388.88	13,889.92	23,593.25
	(b) Others	(838.97)	(509.65)	352.63	(1,348.62)	1,326.14	1,218.13
	<b>Total Segment Results</b>	<b>6,637.94</b>	<b>10,402.32</b>	<b>7,604.25</b>	<b>17,040.26</b>	<b>15,216.06</b>	<b>24,811.38</b>
	Less: Finance costs	2,531.58	2,493.28	1,927.61	5,024.86	4,522.53	8,572.39
	Add: Interest income	66.57	121.60	13.66	188.17	57.23	203.00
	Net un-allocable expenditure /(income)	146.93	261.11	103.56	408.04	243.25	323.66
	<b>Total Profit before tax</b>	<b>4,026.00</b>	<b>7,769.53</b>	<b>5,586.74</b>	<b>11,795.53</b>	<b>10,507.51</b>	<b>16,118.33</b>
C	<b>Segment Assets</b>						
	(a) Milk & Milk products	2,14,360.16	2,08,944.42	1,91,022.62	2,14,360.16	1,91,022.62	1,82,530.03
	(b) Others	23,232.88	20,707.73	11,320.22	23,232.88	11,320.22	36,673.93
	(c) Unallocated	4,549.95	4,790.29	5,329.85	4,549.95	5,329.85	5,378.88
	<b>Total Segment Assets</b>	<b>2,42,142.99</b>	<b>2,34,442.44</b>	<b>2,07,672.69</b>	<b>2,42,142.99</b>	<b>2,07,672.69</b>	<b>2,24,582.84</b>
D	<b>Segment Liabilities</b>						
	(a) Milk & Milk products	32,803.00	36,658.24	59,435.14	32,803.00	59,435.14	29,961.21
	(b) Others	3,057.24	3,505.16	1,212.21	3,057.24	1,212.21	1,626.27
	(c) Unallocated	1,25,912.91	1,12,544.65	66,512.38	1,25,912.91	66,512.38	1,12,527.71
	<b>Total Segment Liabilities</b>	<b>1,61,773.15</b>	<b>1,52,708.05</b>	<b>1,27,159.73</b>	<b>1,61,773.15</b>	<b>1,27,159.73</b>	<b>1,44,115.19</b>
E	<b>Net Capital employed</b>	<b>80,369.84</b>	<b>81,734.39</b>	<b>80,512.96</b>	<b>80,369.84</b>	<b>80,512.96</b>	<b>80,467.65</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 October 22, 2019.
- 3 The Statement of Assets and Liabilities as at September 30, 2019 is provided as an Annexure to this Statement.
- 4 Pursuant to insertion of new clause under Regulation 33, sub-regulation (3), the Company has prepared statement of cash flows for the half year ended September 30, 2019. The statement of cash flows for the corresponding six months ended 30 September 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subjected to review by the statutory auditors.
- 5 The Company has adopted IND AS 116 "Leases" with effect from April 01, 2019 which resulted in recognition of Right of Use Asset (ROU) and equivalent Lease Liability at Rs.20,792.61 lakhs. In view of this, the operating lease rent which was hitherto accounted under 'Other expenses' in previous periods has now been accounted as depreciation and finance cost. Accordingly, the Profit for the current quarter ended September 30, 2019 and half year ended September 30, 2019 is reduced by Rs. 168.23 lakhs and Rs. 310.11 lakhs respectively. To this extent performance for the current quarter ended September 30, 2019 and half year ended September 30, 2019 is not comparable with previous period results.
- 6 The Company is in the process of evaluating the impact of availment of the option of applying lower income tax rate with effect from April 01, 2019 to The Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and half year ended September 30, 2019 and the consequent impact in the deferred tax as on that date.

Place : Chennai  
Date : October 22, 2019



For HATSUN AGRO PRODUCT LTD.

*N. Chandrasekar*  
Managing Director

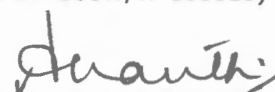
**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS  
TO THE BOARD OF DIRECTORS OF HATSUN AGRO PRODUCT LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **HATSUN AGRO PRODUCT LIMITED** ("the Company"), for the quarter and half year ended September 30, 2019 ("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.

Attention is drawn to Note 4 of the Statement which states that the statement of cash flows for the corresponding half year ended September 30, 2018, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

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: 19209252AAAACV5044)

Place: Chennai  
Date: October 22, 2019

