

HAP

Hatsun Agro Product Ltd.
Registered Office:
Domestic Unit No. 120A,
Rajiv Gandhi Salai (OMR),
Karasikkal, Chennai - 97, India
P. +91 44 2450 1622
F. +91 44 2450 1422
E. info@hatson.com | www.hatson.com
CIN: L11499TN1936PL0019347

HAP\SEC\627\2018-19

22-October-2018

✓ 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, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400 051.

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

Dear Sir,

Sub: Outcome of the Board Meeting held today i.e. October 22nd, 2018 - Unaudited Financial Results for the quarter and half year ended 30th September 2018.

Ref: Our Office Lr.Ref.No. HAP\SEC\625\2018-19 dt: 15-October-2018

The Board of Directors of the Company at their meeting held today, i.e. October 22, 2018, has inter-alia:

1. Approved the Unaudited Financial Results for the quarter and half year ended 30th September, 2018. A copy of the Unaudited Financial Results as per SEBI format and the Limited Review Report of the Statutory Auditors for the quarter and half year ended 30th September, 2018 are enclosed pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

We also wish to bring to the notice of the Exchange that the Board Meeting commenced at 10.00 A.M and concluded at 11.30 A.M today.

Kindly take the above information on record.

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; Website: www.hatsun.com
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	(Rupees in lakhs except EPS)					
	Quarter ended September 30, 2018	Quarter ended June 30, 2018	Quarter ended September 30, 2017	Half Year ended September 30, 2018	Half year ended September 30, 2017	Year ended March 31, 2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations (Net - Refer Note 4)	1,14,710.12	1,23,567.73	1,06,683.60	2,42,277.85	2,23,557.40	4,28,979.85
Other income	50.74	69.89	281.43	120.63	527.19	831.51
Total income	1,18,760.86	1,23,637.62	1,06,965.03	2,42,398.48	2,24,084.59	4,29,811.36
Expenses						
Cost of raw materials consumed	81,774.30	81,520.01	82,062.45	1,63,294.31	1,60,665.75	3,18,347.88
Purchases of stock-in-trade	11.81	9.53	33.21	21.34	75.03	145.80
Changes in the inventories of finished goods, stock-in-trade and work-in-progress	2,039.43	5,089.03	(5,796.14)	7,128.46	(208.30)	(10,118.83)
Excise duty on sale of goods	-	-	-	-	245.13	243.13
Employee benefits expense	3,952.82	3,840.63	3,661.90	7,793.45	7,216.88	14,066.78
Finance costs	1,927.61	2,594.92	1,925.91	4,522.53	3,968.11	8,763.84
Depreciation and amortization expense	4,886.15	4,839.56	4,061.45	9,725.71	8,108.83	17,364.41
Other expenses	18,582.00	20,823.17	16,200.34	39,405.17	34,710.53	68,530.30
Total expense	1,13,174.12	1,18,716.85	1,02,149.12	2,31,890.97	2,14,779.96	4,17,943.31
Profit before tax	5,586.74	4,920.77	4,815.91	10,507.51	9,304.63	11,868.05
Tax expense						
- Current tax	1,920.21	1,507.16	478.49	3,427.37	616.22	2,487.82
- Adjustment of tax relating to earlier period	-	-	-	-	-	205.36
- Deferred tax (Net)	(159.80)	(372.00)	516.35	(531.80)	1,348.35	91.27
Income Tax Expense	1,760.41	1,135.16	994.84	2,895.57	1,964.57	2,784.45
Profit for the period	3,826.33	3,785.61	3,821.07	7,611.94	7,340.06	9,083.60
Other Comprehensive Income:						
(i) Items not to be reclassified to profit or loss in subsequent periods						
- Re-measurement loss/(gain) on employee defined benefit plans	-	-	-	-	-	105.64
- Income tax effect	-	-	-	-	-	(36.56)
Net items not to be reclassified to profit or loss in subsequent periods	-	-	-	-	-	69.08
(ii) Other comprehensive income that will be reclassified to profit or loss in subsequent periods						
- Net movement in cash flow hedges	(4.29)	(4.13)	48.54	(8.42)	58.75	(4.76)
- Income tax effect	1.51	1.43	(16.80)	2.94	(20.33)	1.65
Net items to be reclassified to profit or loss in subsequent periods	(2.78)	(2.70)	31.74	(5.48)	38.42	(3.11)
Total comprehensive income for the period	3,823.55	3,782.91	3,852.81	7,606.46	7,378.48	9,079.49
Paid-up Equity share capital	1,598.10	1,522.02	1,522.02	1,598.10	1,522.02	1,522.02
Other Equity (excluding revaluation reserve)	-	-	-	-	-	35,031.06
Earnings Per Share (Face value of Rs. 1/- per share) Not annualised						
(a) Basic	2.38	2.45	2.47	4.83	4.75	5.88
(b) Diluted	2.38	2.45	2.47	4.83	4.75	5.88

For HATSUN AGRO PRODUCT LTD.

M. Chandrasekar
 Managing Director



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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

STATEMENT OF ASSETS AND LIABILITIES - (Refer Note 5)

(Rupees in lakhs)

Particulars	As at September 30, 2018 Unaudited	As at March 31, 2018 Audited
Assets		
Non Current Assets		
(a) Property, plant and equipment	1,20,907.43	1,20,512.14
(b) Capital work in progress	32,571.18	25,933.53
(c) Goodwill	774.12	774.12
(d) Other Intangible assets	478.50	374.32
(e) Financial assets		
(i) Investments	12.00	12.57
(ii) Other financial assets	5,328.00	5,330.93
(f) Other non-current assets	1,208.61	2,594.57
(g) Non-current tax assets	-	468.37
Total Non-current assets	1,61,279.84	1,56,000.55
Current assets		
(a) Inventories	27,799.93	38,373.15
(b) Financial assets		
(i) Trade receivables	1,022.77	705.16
(ii) Cash & cash equivalents	4,073.01	3,284.19
(iii) Others financial assets	1,484.68	374.53
(c) Other current assets	12,012.46	12,404.28
Total Current assets	46,392.85	55,141.31
Total assets	2,07,672.69	2,11,141.86
Equity and liabilities		
Equity		
(a) Equity share capital - (Refer Note 3)	1,598.10	1,522.02
(b) Other equity - (Refer Note 3)	78,914.86	35,031.06
Total Equity	80,512.96	36,553.08
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,316.50	54,206.96
(ii) Deferred tax liabilities (net)	2,275.68	2,807.48
(c) Other non-current liabilities	76.16	76.61
Total non-current liabilities	41,668.34	57,091.04
Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	20,336.56	46,698.70
(ii) Trade payables	18,365.33	17,142.97
(iii) Other Financial liabilities	34,840.09	41,597.47
(b) Provisions	272.60	210.89
(c) Current tax liabilities	1,252.79	-
(d) Other current liabilities	10,424.02	11,847.71
Total current liabilities	85,491.39	1,17,497.74
Total Liabilities	1,27,159.73	1,74,588.78
Total Equity and Liabilities	2,07,672.69	2,11,141.86

For HATSUN AGRO PRODUCT LTD.

M. Chandrasekhar
 Managing Director



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Notes:

- 1 Based on the management approach as defined in INDI 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.

S.No.	Particulars	(Rupees in lakhs)					
		Quarter ended September 30, 2018	Quarter ended June 30, 2018	Quarter ended September 30, 2017	Half Year ended September 30, 2018	Half year ended September 30, 2017	Year ended March 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Segment Revenue						
	(a) Milk & Milk products	1,11,581.91	1,16,729.47	1,00,166.31	2,28,311.38	2,10,390.07	4,02,556.71
	(b) Others	7,128.21	6,838.26	6,617.29	13,966.47	13,167.33	26,423.14
	Net Sales/ Income from Operations	1,18,710.12	1,23,567.73	1,06,683.60	2,42,277.85	2,23,557.40	4,28,979.85
B	Segment Results						
	(a) Milk & Milk products	7,251.62	6,638.29	6,794.83	13,889.92	13,212.16	18,740.11
	(b) Others	352.63	975.52	231.83	1,326.14	400.08	1,319.61
	Total Segment Results	7,604.25	7,611.81	7,026.66	15,216.06	13,612.24	20,059.72
	Less: Finance costs	1,927.61	2,594.92	1,925.91	4,522.53	3,968.11	8,763.83
	Add: Interest income	13.66	43.57	1.87	57.23	54.68	58.61
	Net un-allocable expenditure /(income)	103.56	139.69	286.71	243.25	394.18	(513.55)
	Total Profit before tax	5,586.74	4,920.77	4,815.91	10,507.51	9,304.63	11,868.05
C	Segment Assets						
	(a) Milk & Milk products	1,91,022.62	1,83,298.89	1,38,461.22	1,91,022.62	1,38,461.22	1,91,135.41
	(b) Others	11,320.22	15,663.05	24,107.27	11,320.22	24,107.27	12,424.04
	(c) Unallocated	5,329.85	3,599.31	6,444.58	5,329.85	6,444.58	7,582.41
	Total Segment Assets	2,07,672.69	2,02,561.25	1,69,013.07	2,07,672.69	1,69,013.07	2,11,141.86
D	Segment Liabilities						
	(a) Milk & Milk products	59,435.14	50,121.55	31,081.32	59,435.14	31,081.32	47,748.98
	(b) Others	1,212.21	682.59	676.41	1,212.21	676.41	4,210.16
	(c) Unallocated	66,512.38	1,16,919.13	1,02,339.52	66,512.38	1,02,339.52	1,22,629.64
	Total Segment Liabilities	1,27,159.73	1,67,723.27	1,34,097.25	1,27,159.73	1,34,097.25	1,74,588.78
E	Net Capital employed	80,512.96	34,837.98	34,915.82	80,512.96	34,915.82	36,553.08

- 2 The above Unaudited financials results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 22, 2018.
- 3 During the quarter, the Company had completed the allotment of 95,10,519 partly paid-up Equity Shares of face value Re 1 each (paid-up to the extent of Re 0.80 each) at a premium of Rs 554 per Equity Share (paid-up to the extent of Rs 443.20 each) on rights basis. The net proceeds of the issue was used to repay a portion of borrowings availed by the Company.
- 4 Consequent to implementation of the Goods and Service Tax (GST) with effect from July 1, 2017, presentation of revenue for the quarters after that date excludes GST and hence not comparable with prior periods which includes Excise Duty.
- 5 The Statement of Assets and Liabilities as at 30 September 2018 is provided as an Annexure to this Statement.
- 6 Previous period figures have been regrouped wherever necessary, to conform to the current period presentation.

Place : Thruthangal
 Date : October 22, 2018

For HATSUN AGRO PRODUCT LTD.

Ne 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, 2018 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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)



A handwritten signature in black ink, appearing to read "Ananthi Amarnath".

Ananthi Amarnath
Partner

Membership No. 209252

SINGAPORE, October 22, 2018