

HAP

Hatsun Agro Product Ltd.
Registered Office:
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Rajiv Gandhi Salai (OMR),
Karapakkam, Chennai - 97. India.
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CIN: L15499TN1986PLC012747

HAP\SEC\517\2017-18

16-October-2017

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,

Dear Sir,

Sub: Decisions of the Board Meeting held today i.e.16th October, 2017.

Ref: Our Office Lr.Ref.No. HAP\SEC\514\2017-18 dt: 10-October-2017

The Board of Directors of the Company at their meeting held today, i.e.16th October, 2017, has:

1. Approved the Unaudited Financial Results for the quarter and half year ended 30th September, 2017. A copy of the Unaudited Financial Results as per SEBI format and the Limited Review Report of the Statutory Auditors for the quarter ended 30th September, 2017 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 03.30 P.M and concluded at 05.35 P.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, 2017

(Rupees in lakhs except EPS)

	Quarter ended September 30, 2017	Quarter ended June 30, 2017	Quarter ended September 30, 2016	Half year ended September 30, 2017	Half year ended September 30, 2016
	Unaudited	Unaudited	Unaudited (Refer Note 4 below)	Unaudited	Unaudited (Refer Note 4 below)
Income					
Revenue from operations (Net - Refer Note 6)	1,06,663.60	1,16,873.80	1,00,176.51	2,23,557.40	2,03,827.60
Other income	281.43	245.76	145.80	527.19	211.30
Total income	1,06,965.03	1,17,119.56	1,00,322.31	2,24,084.59	2,04,038.90
Expenses					
Cost of raw materials consumed	82,062.45	78,603.30	74,703.23	1,60,665.75	1,43,826.42
Purchases of stock-in-trade	33.21	41.82	13.28	75.03	25.26
Changes in the inventories of finished goods, stock-in-trade and work-in-progress	(5,796.14)	5,587.84	(3,221.90)	(208.30)	3,331.38
Excise duty on sale of goods	-	243.13	144.03	243.13	403.03
Employee benefits expense	3,661.90	3,554.98	3,035.66	7,216.88	5,956.19
Finance costs	1,925.91	2,042.20	1,569.57	3,968.11	3,128.55
Depreciation and amortization expense	4,061.45	4,047.38	2,972.18	8,108.83	5,766.25
Other expenses	16,200.34	18,510.19	16,461.32	34,710.53	32,873.01
Total expense	1,02,149.12	1,12,630.84	95,677.37	2,14,779.96	1,95,310.09
Profit before tax	4,815.91	4,488.72	4,644.94	9,304.63	8,728.81
Tax expense					
- Current tax (net of MAT credit)	478.49	137.73	1,388.17	616.22	2,572.93
- Deferred tax	516.35	832.00	0.66	1,348.35	(49.62)
Income Tax Expense	994.84	969.73	1,388.83	1,964.57	2,523.31
Profit for the period	3,821.07	3,518.99	3,256.11	7,340.06	6,205.50
Other Comprehensive Income:					
(i) Other comprehensive income that will be reclassified to profit or loss in subsequent periods:					
- Net movement in cash flow hedges	48.54	10.21	(23.00)	58.75	(5.50)
- Income tax effect	(16.80)	(3.53)	7.96	(20.33)	1.90
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	31.74	6.68	(15.04)	38.42	(3.60)
Total comprehensive income for the period	3,852.81	3,525.67	3,241.07	7,378.48	6,201.90
Paid-up Equity share capital	1,522.02	1,522.02	1,522.02	1,522.02	1,522.02
Earnings Per Share (Face value of Re. 1/- per share) Not annualised					
(a) Basic	2.51	2.31	2.14	4.82	4.08
(b) Diluted	2.51	2.31	2.14	4.82	4.08



For HATSUN AGRO PRODUCT LTD.

N. Chandrasekhar

Managing Director

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

STATEMENT OF ASSETS AND LIABILITIES

(Rupees in lakhs)	
Particulars	As at September 30, 2017 Unaudited
Assets	
Non-current assets	
Property, plant and equipment	1,06,286.77
Capital work-in-progress	11,140.03
Goodwill	774.12
Other intangible assets	307.65
Financial assets	
- Investments	25.06
- Other financial assets	5,199.12
Other non-current assets	12,813.40
Total Non-current assets	1,36,546.15
Current assets	
Inventories	25,422.50
Financial assets	
- Trade receivables	1,210.32
- Cash and cash equivalents	1,313.86
- Other bank balances	97.60
- Other financial assets	25.10
Other current assets	4,397.54
Total Current assets	32,466.92
Total assets	1,69,013.07
Equity and liabilities	
Equity	
Equity share capital	1,522.02
Other equity	33,393.80
Total Equity	34,915.82
Non-current liabilities	
Financial liabilities	
- Borrowings	33,883.69
Other Non-current liabilities	82.75
Deferred tax liabilities (net)	7,706.34
Total non-current liabilities	41,672.78
Current Liabilities	
Financial liabilities	
- Borrowings	41,337.25
- Trade payables	17,136.88
- Other financial liabilities	30,299.59
Other current liabilities	3,650.75
Total current liabilities	92,424.47
Total Liabilities	1,34,097.25
Total Equity and Liabilities	1,69,013.07



For HATSUN AGRO PRODUCT LTD.

Managing Director

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

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 and Renewable Energy as reportable segments. Others primarily comprises Cattle feed and Ready to eat products segments.

(Rupees in lakhs)

S.No.	Particulars	Quarter ended September 30, 2017	Quarter ended June 30, 2017	Quarter ended September 30, 2016	Half year ended September 30, 2017	Half year ended September 30, 2016
		Unaudited	Unaudited	Unaudited (Refer Note 4 below)	Unaudited	Unaudited (Refer Note 4 below)
A	Segment Revenue					
	(a) Milk & Milk products	99,756.54	1,09,691.43	94,964.51	2,09,447.97	1,93,775.76
	(b) Renewable Energy	1,306.10	1,204.51	-	2,510.61	-
	(c) Others	6,617.29	6,550.04	5,212.00	13,167.33	10,051.84
	Total Segment Revenue	1,07,679.93	1,17,445.98	1,00,176.51	2,25,125.91	2,03,827.60
	Less: Inter segment revenue	996.33	572.18	-	1,568.51	-
	Net Sales/ Income from Operations	1,06,683.60	1,16,873.80	1,00,176.51	2,23,557.40	2,03,827.60
B	Segment Results					
	(a) Milk & Milk products	6,693.04	5,984.70	6,018.47	12,677.74	11,489.11
	(b) Renewable Energy	101.79	432.63	-	534.42	-
	(c) Others	231.83	168.25	150.78	400.08	329.55
	Total Segment Results	7,026.66	6,585.58	6,169.25	13,612.24	11,818.66
	Less: Finance costs	1,925.91	2,042.20	1,569.57	3,968.11	3,128.55
	Add: Interest income	1.87	52.81	55.00	54.68	53.00
	Net un-allocable expenditure	286.71	107.47	9.74	394.18	14.30
	Total Profit before tax	4,815.91	4,488.72	4,644.94	9,304.63	8,728.81
C	Segment Assets					
	(a) Milk & Milk products	1,21,147.50	1,18,359.15	1,11,344.10	1,21,147.50	1,11,344.10
	(b) Renewable Energy	17,313.72	17,411.86	-	17,313.72	-
	(c) Others	24,107.27	16,358.24	5,407.01	24,107.27	5,407.01
	(d) Unallocated	6,444.58	7,611.67	2,995.80	6,444.58	2,995.80
	Total Segment Assets	1,69,013.07	1,59,740.92	1,19,746.91	1,69,013.07	1,19,746.91
D	Segment Liabilities					
	(a) Milk & Milk products	17,107.32	14,845.23	24,528.56	17,107.32	24,528.56
	(b) Renewable Energy	13,974.00	13,974.00	-	13,974.00	-
	(c) Others	676.41	829.09	269.82	676.41	269.82
	(d) Unallocated	1,02,339.52	97,347.24	67,508.62	1,02,339.52	67,508.62
	Total Segment Liabilities	1,34,097.25	1,26,995.56	92,307.00	1,34,097.25	92,307.00
E	Net Capital employed	34,915.82	32,745.36	27,439.91	34,915.82	27,439.91

- 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 16, 2017 and have been subjected to limited review by the Statutory auditors of the Company. Also refer note 4 below.
- 3 The Company has adopted Indian Accounting Standards (IND AS) from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The date of transition to IND AS is April 1, 2016. The impact of transaction has been accounted for in opening reserves and the comparative period results has been restated accordingly. The Company has availed the exemption provided by SEBI vide Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 and accordingly has not provided the financial results for the year ended March 31, 2017, Statement of Assets and Liabilities as on that date and the reconciliation for the equity and net profit or loss between the previous GAAP and IND AS for the year ended March 31, 2017 in this statement.
- 4 The financial results and other financial information for the quarter and half year ended September 30, 2016 have not been subjected to limited review or audit and have been presented based on the information compiled by the Management. The Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs in accordance with IND AS.
- 5 Reconciliation of net profit previously reported on account of transition from the previous GAAP to IND AS for the quarter and half year ended September 30, 2016 is as under:

(Rupees in lakhs)

Particulars	Quarter ended September 30, 2016	Half year ended September 30, 2016
	Unaudited	Unaudited
Profit for the period under previous GAAP	3,215.84	6,123.08
Add/(less):		
Reversal of amortisation of Goodwill	68.25	136.31
Other IND AS adjustments	(6.66)	(38.89)
Income tax effect on above adjustments	(21.32)	(15.00)
Net profit for the period as per IND AS	3,256.11	6,205.50
Other Comprehensive income (net of tax)	(15.04)	(3.60)
Total Comprehensive income	3,241.07	6,201.90

- 6 In accordance with the requirements of IND AS, revenue for the quarter ended September 30, 2017 is net of Goods and Services Tax (GST). However, revenue for the quarter ended 30 June 2017 and quarter and half year ended 30 September 2016 are inclusive of excise duty.
- 7 Previous period figures have been regrouped wherever necessary, to conform to the current period presentation.

For and on behalf of the Board of Directors



R.G. Chandramogan
R.G. Chandramogan
Managing Director

Place : Chennai
Date : October 16, 2017

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, 2017 ("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.

As stated in Note 4 of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter and half year ended September 30, 2016, including the reconciliation of net profit/ loss for the quarter and half year ended September 30, 2016 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

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.



Deloitte Haskins & Sells LLP

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 Standards 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)



Ananthi Amarnath
Partner
(Membership No. 209252)

Chennai, October 16, 2017

