

HAP\SEC\37\2021-22

18<sup>th</sup> October, 2021

BSE Limited  
Corporate Relationship Department  
2nd Floor, New Trading Ring,  
PhirozeJeejeebhoy 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,  
BandraKurla 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 18<sup>th</sup> October, 2021**

Further to our intimation dated 8<sup>th</sup> October, 2021 and pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we would like to inform you that the Board of Directors of the Company at their meeting held today, i.e., 18<sup>th</sup> October, 2021, has inter-alia;

1. Approved the Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2021. 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, 2021 are enclosed pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. Approved the entering into of agreements viz., Power Purchase Agreement (with Swelect Renewable Energy Pvt. Ltd.), Shareholders' Agreement, Share Purchase Agreement and other related Agreements with Swelect Energy Systems Limited, Swelect Renewable Energy Private Limited (Wholly Owned Subsidiary of Swelect Energy Systems Limited) and other Captive Consumers for purchase of Solar Power under Captive User Model.



**Arun**  
ICECREAMS

**AROKYA**  
MILK

**HATSUN**

**ibaco**

**OYALO**  
PIZZA

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daily

**HATSUN**  
Dairy Ingredients

**Santosa**  
VITAMINISED CATTLE FEED

**Aniva**

Hatsun Agro Product Limited has already started Consuming the Solar Power from 01.10.2021 from the recently Commissioned Solar Power Plant by Swelect Sun Energy Pvt. Ltd. which is expected to be around 2.25 Crore Units per annum resulting in a Cost Saving of about Rs.5.50 Crores (Rupees Five Crores Fifty Lacs) per annum. **In addition to this, the Annual Solar Power consumption by Hatsun Agro Product Limited from the above said proposal under Point No.2 is expected to be around 1.45 Crore Units. This Offtake of Solar Power by Hatsun Agro Product Limited is expected to result in a Cost Saving of about Rs. 3.00 Crores (Rupees Three Crores Only) annually. The Project is expected to be Commissioned by the end of February, 2022.**

**Through the above said two Solar Projects, i.e., with the Solar Power Consumption from the already Commissioned Project and the proposed Project, the total Consumption of Solar Power by Hatsun Agro Product Limited will be around 3.70 Crore Units per annum and the Total Cost Saving will be around Rs.8.50 Crores per annum.**

Besides the above, the Board also discussed the status of the below mentioned CAPEX projects for the financial year 2021-22 whose Updates are given below:

a) **Expansion for Milk Products facility in Shirashi, Mangalwada Taluk, Solapur, Maharashtra:**

Besides the existing Milk handling capacity of 6 Lakh Liters Per Day, the Company is in the process of increasing the capacity further by adding another 50,000 Liters Per Day to produce Lassi, Butter Milk and Other Products and this expansion is likely to be completed by end of October, 2021.





**b) Milk Products Plant in Uthiyur, Kangeyam Taluk, Dharapuram, Tamil Nadu:**

Besides the existing manufacturing facilities for Paneer with a capacity of 5 MT per day and Milk handling capacity of 3.5 Lakh Liters Per Day, the Company is now in the process of setting up a Curd processing unit with a capacity of 1.0 Lakh Liters Per Day which is likely to commence the commercial production by the end of March 2022.

**c) Ice Cream plant in Govindapur, Zaheerabad Taluk, Sangareddy district, Telangana:**

The construction activities are going on and the Plant with a capacity of about One Lakh Kgs per day is expected to be commissioned by the end of November, 2021. The estimated capex is about Rs.311 Crores.

**d) Expansion of Cattle Feed Plant in our Sangola Plant, Maharashtra:**

The above mentioned Plant has the capacity of manufacturing 2500 MT per month of Cattle Feed as of now. The Company proposes to increase the Capacity to 5500 MT per month. The Construction activities for the proposed increase are in progress and the Plant is expected to be Commissioned by the second week of December, 2021.

**The abovesaid Expansion Plans relating to Ice Cream, Milk, Curd, Milk Products and Cattle Feed will be Commissioned before the end of FY 2022 in a phased manner at a total Investment Value of about Rs.450 Crores.**



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e) Solar power generation through Swelect Sun Energy Private Limited,  
Tamil Nadu:

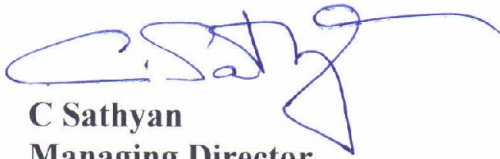
This project, for generation of Solar Power, has been successfully commissioned and the commercial production commenced from 01.10.2021 onwards.

Kindly take the above information on record.

We also wish to bring to the notice of the Exchange that the Board Meeting commenced at 04.00 P.M and concluded at 4:40 P.M today.

Thanking you.

Yours faithfully,  
For Hatsun Agro Product Limited

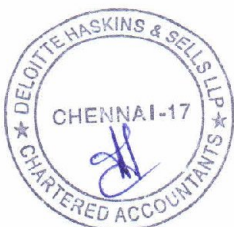


C Sathyan  
Managing Director  
DIN: 00012439

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021**

(Rs. in Lakhs except EPS)

Particulars	Quarter ended	Quarter ended	Quarter ended	Half Year ended	Half Year ended	Year Ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Income</b>						
Revenue from operations	163,541.83	154,471.08	132,699.86	318,012.91	260,627.65	556,974.31
Other income	149.02	144.71	165.46	293.73	308.10	576.39
<b>Total income</b>	<b>163,690.85</b>	<b>154,615.79</b>	<b>132,865.32</b>	<b>318,306.64</b>	<b>260,935.75</b>	<b>557,550.70</b>
<b>Expenses</b>						
Cost of raw materials consumed	115,244.80	106,696.21	103,768.02	221,941.01	192,656.36	395,195.78
Purchases of stock in trade	161.27	115.99	92.03	277.26	144.37	359.54
Changes in the inventories of finished goods, stock-in-trade and work-in-progress	(4,757.12)	602.14	(15,380.22)	(4,154.98)	(15,432.24)	(15,062.26)
Employee benefits expense	5,197.47	5,223.54	4,861.84	10,421.01	9,504.50	18,836.82
Finance costs	2,640.15	2,748.08	2,760.18	5,388.23	5,507.85	11,043.48
Depreciation and amortization expense	7,912.19	7,733.54	7,457.30	15,645.73	15,464.81	30,990.42
Other expenses	26,773.52	24,034.88	19,999.31	50,808.40	35,498.88	79,771.63
<b>Total expense</b>	<b>153,172.28</b>	<b>147,154.38</b>	<b>123,558.46</b>	<b>300,326.66</b>	<b>243,344.53</b>	<b>521,135.41</b>
<b>Profit before tax</b>	<b>10,518.57</b>	<b>7,461.41</b>	<b>9,306.86</b>	<b>17,979.98</b>	<b>17,591.22</b>	<b>36,415.29</b>
<b>Tax expense</b>						
- Current tax	3,012.78	2,542.15	3,787.40	5,554.93	7,101.76	12,786.69
- Income tax relating to earlier period	-	-	-	-	-	(264.52)
- Deferred tax (Net)	(703.94)	(913.73)	(1,059.53)	(1,617.67)	(1,700.09)	(741.94)
<b>Income Tax Expense</b>	<b>2,308.84</b>	<b>1,628.42</b>	<b>2,727.87</b>	<b>3,937.26</b>	<b>5,401.67</b>	<b>11,780.23</b>
<b>Profit for the period</b>	<b>8,209.73</b>	<b>5,832.99</b>	<b>6,578.99</b>	<b>14,042.72</b>	<b>12,189.55</b>	<b>24,635.06</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	-	-	-	-	-	133.93
- Income tax effect	-	-	-	-	-	(46.87)
<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>87.06</b>
(ii) Other comprehensive income that will be reclassified to profit or loss in subsequent periods:						
- Net movement in cash flow hedges	(12.78)	(27.29)	(52.15)	(40.06)	(65.73)	(135.45)
- Income tax effect	7.13	6.87	18.22	13.99	22.97	47.33
<b>Net items to be reclassified to profit or loss in subsequent periods</b>	<b>(5.65)</b>	<b>(20.42)</b>	<b>(33.93)</b>	<b>(26.07)</b>	<b>(42.78)</b>	<b>(88.12)</b>
<b>Total comprehensive income for the period</b>	<b>8,215.38</b>	<b>5,853.41</b>	<b>6,612.92</b>	<b>14,068.79</b>	<b>12,232.33</b>	<b>24,636.12</b>
Paid-up Equity share capital	2,156.02	2,156.02	1,617.11	2,156.02	1,617.11	2,156.02
Other Equity (excluding revaluation reserve)						99,994.99
Earnings Per Share (Face value of Re. 1/- per share) Not annualised						
(a) Basic	3.80	2.71	4.11	6.51	7.61	11.43
(b) Diluted	3.80	2.71	4.07	6.51	7.54	11.43



For HATSUN AGRO PRODUCT LTD.

*C. Sathyan*  
 Managing Director

C SATHYAN  
 MANAGING DIRECTOR  
 DIN: 00012439



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

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

STATEMENT OF ASSETS AND LIABILITIES - (Refer Note 3)

(Rupees in lakhs)

Particulars	As at September 30, 2021 Unaudited	As at March 31, 2021 Audited
<b>Assets</b>		
<b>Non Current Assets</b>		
(a) Property, plant and equipment	178,024.70	172,718.04
(b) Right of use assets	17,488.47	18,667.85
(c) Capital work in progress	47,078.97	38,443.56
(d) Goodwill	774.12	774.12
(e) Other Intangible assets	812.72	750.35
(f) Financial assets		
(i) Investments	1,000.00	830.00
(ii) Other financial assets	4,002.29	4,159.16
(g) Other non-current assets	2,958.90	3,563.00
<b>Total Non-current assets</b>	<b>252,140.17</b>	<b>239,906.08</b>
<b>Current assets</b>		
(a) Inventories	51,954.57	56,977.14
(b) Financial assets		
(i) Trade receivables	923.04	907.41
(ii) Cash & cash equivalents	2,849.18	3,407.39
(iii) Other Bank balances	227.42	517.32
(iv) Others financial assets	2,579.12	2,743.67
(c) Other current assets	7,516.46	7,244.25
<b>Total Current assets</b>	<b>66,049.79</b>	<b>71,797.18</b>
<b>Total assets</b>	<b>318,189.96</b>	<b>311,703.26</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
(a) Equity share capital	2,156.02	2,156.02
(b) Other equity	101,130.00	99,994.99
<b>Total Equity</b>	<b>103,286.02</b>	<b>102,151.01</b>
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	72,660.25	53,575.98
(ii) Lease Liabilities	13,647.23	14,120.22
(b) Deferred tax liabilities (net)	3,624.54	7,228.22
(c) Other non-current liabilities	2,273.49	885.37
<b>Total non-current liabilities</b>	<b>94,205.51</b>	<b>75,809.79</b>
<b>Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	73,822.81	88,174.75
(ii) Lease Liabilities	5,794.96	6,282.97
(iii) Trade payables		
• Total outstanding dues of micro enterprises and small enterprises	-	17.27
• Total outstanding dues of creditors other than micro enterprises and small enterprises	17,960.28	13,194.81
(iv) Other financial liabilities	16,768.76	20,115.17
(b) Provisions	1,492.67	1,227.69
(c) Current tax liabilities	1,365.15	360.30
(d) Other current liabilities	3,493.80	4,369.50
<b>Total current liabilities</b>	<b>120,698.43</b>	<b>133,742.46</b>
<b>Total Equity and Liabilities</b>	<b>318,189.96</b>	<b>311,703.26</b>



For HATSUN AGRO PRODUCT LTD.

*C. Sathyan*  
**Managing Director**  
 C SATHYAN  
 MANAGING DIRECTOR  
 DIN: 00012439

HATSUN AGRO PRODUCT LIMITED

CIN: L15499TN1986PLC012747

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

CASH FLOW STATEMENT - (Refer Note 3)

(Rupees in lakhs)

Particulars	For the half year ended Sep 30, 2021 (Unaudited)	For the half year ended Sep 30, 2020 (Unaudited)
<b>A. Cash flows from operating activities</b>		
Net profit before taxation	17,979.98	17,591.22
Operating profit before working capital changes	38,775.84	38,657.52
<b>Net cash from operating activities</b>	<b>45,493.87</b>	<b>27,634.28</b>
<b>B. Cash flow used in investing activities</b>	<b>(31,607.64)</b>	<b>(11,618.22)</b>
<b>C. Cash flow used in financing activities</b>	<b>(14,444.44)</b>	<b>(17,402.09)</b>
Net (decrease) / increase in cash and cash equivalents	(558.21)	(1,386.03)
Cash and cash equivalents at the beginning of the period	3,407.39	4,069.14
<b>Cash and cash equivalents at the end of the period</b>	<b>2,849.18</b>	<b>2,683.11</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	2.58	6.57
Balances with Banks	2,846.60	2,676.54
<b>Total Cash and Cash Equivalents</b>	<b>2,849.18</b>	<b>2,683.11</b>



For HATSUN AGRO PRODUCT LTD.

*C. Sathyan*  
Managing Director

C SATHYAN  
MANAGING DIRECTOR  
DIN: 00012439



**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021**

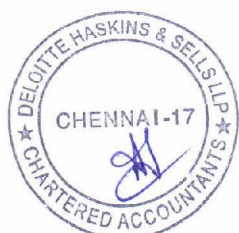
**Notes:**

- 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.

S.No.	Particulars	(Rupees in lakhs)					
		Quarter ended	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
A	<b>Segment Revenue</b>						
	(a) Milk & Milk products	148,984.94	140,984.73	119,435.46	289,969.66	236,790.01	509,130.30
	(b) Others	14,556.89	13,486.35	13,264.40	28,043.25	23,837.64	47,844.01
	<b>Net Sales/ Income from Operations</b>	<b>163,541.83</b>	<b>154,471.08</b>	<b>132,699.86</b>	<b>318,012.91</b>	<b>260,627.65</b>	<b>556,974.31</b>
B	<b>Segment Results</b>						
	(a) Milk & Milk products	13,999.34	11,365.99	12,204.53	25,365.33	24,226.73	50,270.82
	(b) Others	(753.44)	(933.36)	(156.06)	(1686.80)	(1,070.65)	(2,793.86)
	<b>Total Segment Results</b>	<b>13,245.90</b>	<b>10,432.63</b>	<b>12,048.47</b>	<b>23,678.53</b>	<b>23,156.08</b>	<b>47,476.96</b>
	Less: Finance costs	2,640.15	2,748.08	2,760.18	5,388.23	5,507.85	11,043.48
	Add: Interest income	44.19	83.69	115.96	127.88	208.45	315.41
	Net un-allocable expenditure / (income)	131.37	306.83	97.39	438.20	265.46	333.60
	<b>Total Profit before tax</b>	<b>10,518.57</b>	<b>7,461.41</b>	<b>9,306.86</b>	<b>17,979.98</b>	<b>17,591.22</b>	<b>36,415.29</b>
C	<b>Segment Assets</b>						
	(a) Milk & Milk products	285,231.30	275,170.86	245,548.18	285,231.30	245,548.18	270,071.83
	(b) Others	25,563.74	31,096.50	27,298.44	25,563.74	27,298.44	33,056.40
	(c) Unallocated	7,394.92	6,579.73	8,780.43	7,394.92	8,780.43	8,575.03
	<b>Total Segment Assets</b>	<b>318,189.96</b>	<b>312,847.09</b>	<b>281,627.05</b>	<b>318,189.96</b>	<b>281,627.05</b>	<b>311,703.26</b>
D	<b>Segment Liabilities</b>						
	(a) Milk & Milk products	57,369.94	53,388.25	53,848.63	57,369.94	53,848.63	56,298.71
	(b) Others	3,004.01	3,959.02	3,838.23	3,004.01	3,838.23	3,240.32
	(c) Unallocated	154,529.99	147,495.40	134,194.15	154,529.99	134,194.15	150,013.22
	<b>Total Segment Liabilities</b>	<b>214,903.94</b>	<b>204,842.67</b>	<b>191,881.01</b>	<b>214,903.94</b>	<b>191,881.01</b>	<b>209,552.25</b>
E	<b>Net Capital employed</b>	<b>103,286.02</b>	<b>108,004.42</b>	<b>89,746.04</b>	<b>103,286.02</b>	<b>89,746.04</b>	<b>102,151.01</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 18, 2021.
- 3 The Statement of Assets and Liabilities as at September 30, 2021 and the Cash Flow Statement for the half year ended September 30, 2021 is provided as an annexure to this statement.
- 4 Segment assets relating to Cattle Feed and Ready to eat product segments aggregating Rs. 24,243.96 lakhs, previously included under Milk & Milk Products has been correctly included under Others for the comparable quarter ended June 30, 2021 and year ended March 31, 2021.
- 5 The Authorised Share Capital of the Company has been increased to Rs. 10,00,00,000 divided in to 35,00,00,000 Equity Shares of Re. 1 each and 5,00,000 Redeemable or Convertible Preference Shares of Rs.100 each by creation of additional 10,00,00,000 Equity Shares of Re.1 each after obtaining the approval of Members at the Annual General Meeting of the Company held on September 01, 2021. The required forms for effecting the increase were filed with and the fee required to be paid has been paid to the Ministry of Corporate Affairs. Pursuant to the same, the amended Memorandum and Articles of Association of the Company duly amending the Capital Clause has been approved by the Ministry of Corporate Affairs.
- 6 Pursuant to Taxation Laws (Amendment) Ordinance, 2019 issued on 20 September 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from 1st April, 2019, subject to certain conditions specific therein. The Company has opted for the lower income tax rate in the current half year with effect from 1st April 2021 and impact of deferred tax has been considered accordingly.
- 7 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 : October 18, 2021



**For HATSUN AGRO PRODUCT LTD.**

*C. Sathyan*  
**Managing Director**  
**C SATHYAN**  
**MANAGING DIRECTOR**  
**DIN : 00012439**



## 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, 2021 ("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: 21209252AAAAHZ2383

Place: Chennai  
Date: October 18, 2021

