

HATSUN AGRO PRODUCT LIMITED

Regd. Office: 5A, Vijayaraghava Road, T.Nagar, Chennai 600 017.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2010

(Rupees in lakhs except EPS and shareholding data)

S.No.	Particulars	Standalone				
		Quarter ended September 30, 2010 Unaudited	Quarter ended September 30, 2009 Unaudited	6 months ended September 30, 2010 Unaudited	6 months ended September 30, 2009 Unaudited	Financial year ended March 31, 2010 Audited
1	Net Sales/Income from Operations	35,020.45	28,113.54	67,847.44	53,287.44	114,060.31
2	Expenditure					
	a. (Increase) / decrease in stock-in-trade and work in progress	(789.92)	(390.36)	(1,850.95)	(1,359.57)	(1,664.31)
	b. Consumption of materials	26,652.99	21,304.52	51,758.10	40,920.53	87,757.76
	c. Purchase - traded goods	355.72	217.90	586.19	507.81	761.35
	d. Employees cost	1,146.38	926.33	2,193.25	1,809.16	3,729.65
	e. Depreciation	926.93	591.60	1,780.81	1,116.29	2,681.17
	f. Other expenditure	5,354.07	4,420.65	10,471.03	8,101.98	17,151.09
	g. Total (a to f)	33,646.17	27,070.64	64,938.43	51,096.20	110,416.71
3	Profit from Operations before Other Income, Interest & Exceptional Items	1,374.28	1,042.90	2,909.01	2,191.24	3,643.60
4	Other income	40.73	75.08	71.92	158.95	292.98
5	Profit before Interest & Exceptional Items	1,415.01	1,117.98	2,980.93	2,350.19	3,936.58
6	Interest	915.65	597.06	1,748.33	1,114.19	2,783.02
7	Profit from ordinary activities before tax (5) - (6)	499.36	520.92	1,232.60	1,236.00	1,153.56
8	Tax (expense)/credit	41.77	19.93	(136.71)	(246.32)	(884.63)
9	Net profit from ordinary activities after tax (7)- (8)	541.13	540.85	1,095.89	989.68	268.93
10	Paid-up equity share capital (Face Value of Rs. 2/- per share)	679.21	679.21	679.21	679.21	679.21
11	Reserves excluding revaluation reserves					4,672.50
12	Basic and diluted earnings per share (Rs.)					
	Earnings per share-Basic	1.60	1.58	3.23	2.86	0.74
	Earnings per share-Diluted	1.55	1.53	3.14	2.82	0.74
	(Face value of equity share - Rs. 2/-)					
13	Public shareholding					
	- Number of equity shares (Face Value of Rs.2/- per share)	9,133,323	9,133,323	9,133,323	9,133,323	9,133,323
	- Percentage of equity shareholding	26.91%	26.91%	26.91%	26.91%	26.91%
	Promoters and Promoter Group Shareholding					
	a. Pledged / Encumbered					
	Number of shares	19,025,000	16,400,000	19,025,000	16,400,000	16,875,000
	Percentage of shares					
	(as a % of the total shareholding of the Promoter and Promoter group)	76.68%	66.10%	76.68%	66.10%	68.01%
	(as a % of the total share capital of the Company)	56.05%	48.31%	56.05%	48.31%	49.71%
	b. Non - encumbered					
	Number of shares	5,785,767	8,410,767	5,785,767	8,410,767	7,935,767
	Percentage of shares					
	(as a % of the total shareholding of the Promoter and Promoter group)	23.32%	33.90%	23.32%	33.90%	31.99%
	(as a % of the total share capital of the Company)	17.04%	24.78%	17.04%	24.78%	23.38%

Segment wise Revenue, Results and Capital Employed

S.No.	Particulars	Standalone				
		Quarter ended September 30, 2010 Unaudited	Quarter ended September 30, 2009 Unaudited	6 months September 30, 2010 Unaudited	6 months September 30, 2009 Unaudited	Financial year March 31, 2010 Audited
1	Segment Revenue					
	a. Milk and milk products	34,079.12	27,360.63	66,181.19	52,186.38	110,570.61
	b. Retail	941.33	752.91	1,666.25	1,101.06	3,489.70
	Sales from operations	35,020.45	28,113.54	67,847.44	53,287.44	114,060.31
2	Segment results (Profit before tax and interest)					
	a. Milk and milk products	1,668.32	1,326.40	3,567.28	2,833.57	4,511.03
	b. Retail	161.60	107.66	196.19	162.44	819.04
	Total	1,829.92	1,434.06	3,763.47	2,996.01	5,330.07
	Less: Interest (net)	911.82	588.58	1,734.73	1,103.58	2,744.55
	Unallocable expenditure (net of unallocable income)	418.74	324.56	796.14	656.43	1,431.96
	Total profit before tax	499.36	520.92	1,232.60	1,236.00	1,153.56
3	Capital employed					
	a. Milk and milk products	37,679.64	31,877.12	37,679.64	31,877.12	35,794.82
	b. Retail	495.22	141.07	495.22	141.07	463.90
	c. Unallocable	(31,727.26)	(25,826.95)	(31,727.26)	(25,826.95)	(30,907.01)
	Total	6,447.60	6,191.24	6,447.60	6,191.24	5,351.71

Statement of Assets and Liabilities

(Rupees in Lakhs)

S. No.	Particulars	Standalone		Standalone
		As at September 30, 2010 Unaudited	As at September 30, 2009 Unaudited	As at March 31, 2010 Audited
	SOURCE OF FUNDS			
1	SHAREHOLDERS' FUNDS			
	(a) Capital	679.21	679.21	679.21
	(b) Reserves and Surplus	5,768.39	5,512.03	4,672.50
2	LOAN FUNDS	33,637.78	28,384.33	31,373.85
3	DEFERRED INCOME (NET)	72.24	76.64	74.45
4	DEFERRED TAX LIABILITY (NET)	1,917.97	1,135.19	1,970.39
	TOTAL	42,075.59	35,787.40	38,770.40
	APPLICATION OF FUNDS			
5	FIXED ASSETS (INCLUDING INTANGIBLES)	34,413.25	18,354.37	32,213.40
6	CAPITAL WORK-IN-PROGRESS (INCLUDING CAPITAL ADVANCES)	1,011.70	14,766.95	3,305.67
7	INVESTMENTS	-	13.48	-
8	CURRENT ASSETS, LOANS AND ADVANCES			
	(a) Inventories	7,533.42	4,102.92	5,706.16
	(b) Sundry Debtors	2,335.29	1,837.66	1,365.95
	(c) Cash and Bank balances	3,625.94	2,492.94	1,398.22
	(d) Other current assets	287.13	155.64	141.80
	(e) Loans and Advances	2,536.13	2,515.44	2,476.19
9	LESS: CURRENT LIABILITIES AND PROVISIONS			
	(a) Liabilities	(9,488.65)	(8,327.12)	(7,630.30)
	(b) Provisions	(178.62)	(124.88)	(206.69)
	TOTAL	42,075.59	35,787.40	38,770.40

Notes:

- The above unaudited financial results were reviewed by the audit committee and approved by the Board of Directors on November 2, 2010 and has been subjected to limited review by the statutory auditors.
- The auditors of the Company in their limited review report for the quarter ended September 30, 2010 and in their audit report for the year ended March 31, 2010 have qualified for certain income tax related matters which are under dispute. Management's estimate of the financial impact thereof is approximately Rs. 150 lakhs. Based on legal advice, Management believes that no incremental provision is required for such income tax related matters.
- The Company's operations predominantly relate to "milk and milk products" and "Retail". Retail comprises sale of retail products and animal feed to farmers.
- The Company has outstanding unsecured compulsorily convertible debentures ("UCCD") amounting to Rs. 2,500 lakhs. The UCCD's are convertible into equity shares at a price to be mutually agreed by the Board of Directors of the Company and the debenture holders. Diluted Earnings per share has been computed after considering the maximum dilution possible by the allotment of the UCCD's.
- During the quarter ended June 30, 2010, there was a fire in the Company's plant at Kancheepuram. The Company is hopeful of recovering the loss incurred from the insurance Company and has accounted for Rs. 159 lakhs as insurance claim receivable as at September 30, 2010.
- The Board of Directors have declared an interim dividend of Rs. 0.60 per equity share (face value of Rs. 2 per share).
- The statement of assets and liabilities as on September 30, 2009 has not been subjected to limited review by the statutory auditors of the Company.
- Previous year's/period's figures have been reclassified/regrouped wherever necessary to conform to current year's/period's presentation.
- Status of investor grievances for the quarter ended September 30, 2010:
No of Complaints pending as at July 1, 2010 - Nil; Received during the quarter - 13; Disposed during the quarter 13; Lying unresolved as at September 30, 2010 - Nil.

For and on behalf of the Board of Directors


R.G.Chandramogan
Managing Director

Place : Chennai

Date : . November 2, 2010