

**HATSUN AGRO PRODUCT LIMITED**

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

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2005**

(Rupees in lacs)

| S.No.   | Particulars   | Unaudited                    |                              |                              | Audited                            |                                    |
|---|---|------------------------------|------------------------------|------------------------------|------------------------------------|------------------------------------|
|   |   | 9 months ended<br>31.12.2004 | 3 months ended<br>31.03.2005 | 3 months ended<br>31.03.2004 | Financial Year ended<br>31.03.2005 | Financial Year ended<br>31.03.2004 |
| 1   | Gross Sales   | 33,648.04                    | 11,734.72                    | 9,121.57                     | 45,382.76                          | 36,611.15                          |
| 2   | Less : Excise Duty                                      | 330.28                       | 133.73                       | 100.07                       | 464.01                             | 420.18                             |
| 3   | Net Sales   | <b>33,317.76</b>             | <b>11,600.99</b>             | <b>9,021.50</b>              | <b>44,918.75</b>                   | <b>36,190.97</b>                   |
| 4   | Other Income  | 77.96                        | 81.18                        | (12.47)                      | 159.14                             | 73.96                              |
| 5   | Total Expenditure                                       |                              |                              |                              |                                    |                                    |
|   | a. Consumption of Materials                             | 25,531.84                    | 8,841.58                     | 6,832.22                     | 34,373.42                          | 26,739.96                          |
|   | b. Employee Cost  | 925.92                       | 301.52                       | 267.04                       | 1,227.44                           | 950.60                             |
|   | c. Other Expenditure                                    | 5,401.29                     | 1,968.89                     | 2,225.05                     | 7,370.18                           | 6,998.81                           |
|   | <b>Total Expenditure (a to c)</b>                       | <b>31,859.05</b>             | <b>11,111.99</b>             | <b>9,324.31</b>              | <b>42,971.04</b>                   | <b>34,689.37</b>                   |
| 6   | Profit/(Loss) before Interest, Depreciation and Tax     | 1,536.67                     | 570.18                       | (315.28)                     | 2,106.85                           | 1,575.56                           |
| 7   | Interest  | 375.06                       | 194.25                       | 108.24                       | 569.31                             | 438.29                             |
| 8   | Depreciation & Amortization                             | 975.97                       | 401.46                       | 41.85                        | 1,377.43                           | 1,298.85                           |
| 9   | Depreciation written back                               | -                            | -                            | (1,105.30)                   | -                                  | (1,105.30)                         |
| 10  | Profit/(Loss) before prior period adjustments and tax   | 185.64                       | (25.53)                      | 639.93                       | 160.11                             | 943.72                             |
| 11  | Prior period adjustments                                | -                            | -                            | 16.23                        | -                                  | 16.23                              |
| 12  | <b>Profit/(Loss) before Tax</b>                         | <b>185.64</b>                | <b>(25.53)</b>               | <b>656.16</b>                | <b>160.11</b>                      | <b>959.95</b>                      |
| 13  | Provision for Taxation                                  |                              |                              |                              |                                    |                                    |
|   | Current tax   | (14.97)                      | 2.15                         | 83.19                        | (12.82)                            | (78.22)                            |
|   | Deferred Tax benefit / (expense) - current period       | (117.60)                     | 72.99                        | (401.48)                     | (44.61)                            | (337.51)                           |
|   | - prior period  | (29.17)                      | -                            | -                            | (29.17)                            | -                                  |
| 14  | <b>Profit/(Loss) after tax</b>                          | <b>23.90</b>                 | <b>49.61</b>                 | <b>337.87</b>                | <b>73.51</b>                       | <b>544.22</b>                      |
| 15  | Paid-up Equity Share Capital (par value Rs.10/- each)   | 679.21                       | 679.21                       | 679.21                       | 679.21                             | 679.21                             |
| 16  | Reserves excluding revaluation reserve                  | 1,572.21                     | 1,621.82                     | 1,554.00                     | 1,621.82                           | 1,554.00                           |
| 17  | Basic and diluted earnings per share (Rs.)              | 0.35                         | 0.73                         | 4.97                         | 1.08                               | 8.01                               |
| 18  | Aggregate of non-promoters shareholding                 |                              |                              |                              |                                    |                                    |
|   | - Number of shares                                      | 2,120,192                    | 2,120,192                    | 2,120,890                    | 2,120,192                          | 2,120,890                          |
|   | - Percentage of shareholding                            | 31                           | 31                           | 31                           | 31                                 | 31                                 |
| <b>Segment wise Revenue, Results and Capital Employed</b> |   |                              |                              |                              |                                    |                                    |
| S.No.   | Particulars   | Unaudited                    |                              |                              | Audited                            |                                    |
|   |   | 9 months ended<br>31.12.2004 | 3 months ended<br>31.03.2005 | 3 months ended<br>31.03.2004 | Financial Year ended<br>31.03.2005 | Financial Year ended<br>31.03.2004 |
| <b>1</b>  | <b>Segment Revenue</b>                                  |                              |                              |                              |                                    |                                    |
|   | a. Milk & Milk products                                 | 31,121.60                    | 10,876.74                    | 8,380.36                     | 41,998.34                          | 33,482.67                          |
|   | b. Ice-cream  | 2,526.44                     | 857.98                       | 741.21                       | 3,384.42                           | 3,128.48                           |
|   | <b>Sales from operations</b>                            | <b>33,648.04</b>             | <b>11,734.72</b>             | <b>9,121.57</b>              | <b>45,382.76</b>                   | <b>36,611.15</b>                   |
| <b>2</b>  | <b>Segment Results (Profit before tax and Interest)</b> |                              |                              |                              |                                    |                                    |
|   | a. Milk & Milk products                                 | 1,022.43                     | 314.51                       | (252.07)                     | 1,336.94                           | 1,055.90                           |
|   | b. Ice-cream  | 145.06                       | 90.01                        | 54.02                        | 235.07                             | 7.86                               |
|   | <b>Total</b>  | <b>1,167.49</b>              | <b>404.52</b>                | <b>(198.05)</b>              | <b>1,572.01</b>                    | <b>1,063.76</b>                    |
|   | Less: Interest (net)                                    | 353.40                       | 189.90                       | 96.34                        | 543.30                             | 399.60                             |
|   | Unallocable expenditure (net of unallocable income)     | 628.45                       | 240.15                       | 170.98                       | 868.60                             | 825.74                             |
|   | Depreciation write back                                 | -                            | -                            | (1,105.30)                   | -                                  | (1,105.30)                         |
|   | Prior period adjustments                                | -                            | -                            | 16.23                        | -                                  | (16.23)                            |
|   | <b>Total Profit / (Loss) before tax</b>                 | <b>185.64</b>                | <b>(25.53)</b>               | <b>656.16</b>                | <b>160.11</b>                      | <b>959.95</b>                      |
| <b>3</b>  | <b>Capital employed</b>                                 |                              |                              |                              |                                    |                                    |
|   | a. Milk & Milk products                                 | 9,926.57                     | 9,747.46                     | 6,480.36                     | 9,747.46                           | 6,480.36                           |
|   | b. Ice-cream  | 800.85                       | 945.98                       | 795.51                       | 945.98                             | 795.51                             |

|                |                 |                 |                 |                 |                 |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| c. Unallocable | (8,476.00)      | (8,392.41)      | (5,042.66)      | (8,392.41)      | (5,042.66)      |
| <b>Total</b>   | <b>2,251.42</b> | <b>2,301.03</b> | <b>2,233.21</b> | <b>2,301.03</b> | <b>2,233.21</b> |

|               |  |
|---------------|--|
| <b>Notes:</b> |  |
| 1             | The above results were taken on record by the Board of Directors at their meeting held on 27th June 2005.  |
| 2             | The Company, during the year has capitalized procurement centre accessories. Such assets were expensed off as and when incurred till the year ended 31 March 2004. This, in the opinion of management, would result in a more appropriate presentation of the financial statements of the Company. Pursuant to the change, the charge to the profit and loss account has been reduced by Rs.18.55 lacs (net of the depreciation charges on these assets during the year of Rs.12.49 lacs). Consequently, the profit after tax and reserves and surplus are higher by Rs. 20.09 lacs, deferred tax liability is lower by Rs. 3 lacs and net fixed assets are higher by Rs.18.55 lacs.   |
| 3             | In accordance with the Listing Agreement, the figures for the previous year and quarter ended 31st March 2004 have been restated consequent to the change in accounting policy of capitalising procurement centre accessories. The impact of the same has been that the profit before tax has gone up from Rs.953.87 lacs to Rs.959.95 lacs for the year ended 31st March 2004 and from Rs. 650.51 lacs to Rs. 656.16 lacs for the quarter ended 31st March 2004 and the depreciation has increased from Rs. 191.89 lacs to Rs 193.55 lacs for the year ended 31st March 2004 and from Rs. (1,063.98) lacs to Rs. (1,063.45) lacs for the quarter ended 31st March 2004. The profit after tax has correspondingly increased from Rs. 538.53 lacs to Rs.544.22 lacs for the year ended 31st March 2004 and from Rs.332.69 lacs to Rs.337.87 lacs for the quarter ended 31st March 2004. |
| 4             | Status of investor grievances for the quarter ended 31st March 2005.   |

| No. of Complaints<br>Pending as at 1st Jan 2005 | Received<br>during<br>the quarter | Disposed<br>during<br>the quarter | Lying unresolved<br>as at 31st Mar 2005 |
|---|-----------------------------------|-----------------------------------|---|
| 0   | 12                                | 12                                | 0                                       |

for and on behalf of the Board

Place : Chennai - 17.  
Date : 27th June 2005.

R.G.Chandramogan  
Managing Director