

**HATSUN AGRO PRODUCT LIMITED**

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2006

(Rupees in lacs)

S.No.	Particulars	Unaudited				Audited	6 months ended 30.09.2005
		3 months ended 31.12.2006	3 months ended 31.12.2005	9 months ended 31.12.2006	9 months ended 31.12.2005	Financial Year ended 31.03.2006	
1	Gross Sales	15,281.84	13,919.82	42,947.18	41,466.49	54,481.86	#####
2	Less : Excise Duty	-	62.64	-	381.19	447.44	-
3	Net Sales	<b>15,281.84</b>	<b>13,857.18</b>	<b>42,947.18</b>	<b>41,085.30</b>	<b>54,034.42</b>	#####
4	Other Income	174.64	187.29	388.57	459.08	763.70	213.93
5	Total expenditure						
	a. Decrease / (Increase) in stock-in-trade	(304.31)	313.18	(368.24)	(541.10)	134.33	(854.28)
	b. Consumption of Materials	11,952.57	10,226.86	32,500.91	31,243.74	40,560.60	#####
	c. Purchase - traded goods	154.23	86.63	391.54	245.27	343.33	158.64
	d. Employee Cost	421.26	373.56	1,250.04	1,089.85	1,488.92	828.78
	e. Other Expenditure	2,303.29	2,376.78	7,039.52	6,822.91	8,955.56	4,736.23
	<b>Total Expenditure ( a to e )</b>	<b>14,527.04</b>	<b>13,377.01</b>	<b>40,813.77</b>	<b>38,860.67</b>	<b>51,482.74</b>	#####
6	Profit before Interest, Depreciation and Tax	929.44	667.46	2,521.98	2,683.71	3,315.38	1,592.54
7	Interest and finance charges	258.76	267.68	742.59	700.32	936.70	483.83
8	Depreciation & Amortization	404.53	381.97	1,167.75	1,145.14	1,548.72	763.22
9	Prior Period Income	-	130.88	-	-	-	-
10	<b>Profit before Tax</b>	<b>266.15</b>	<b>148.69</b>	<b>611.64</b>	<b>838.25</b>	<b>829.96</b>	<b>345.49</b>
11	Provision for Taxation	(104.63)	(58.19)	(253.18)	(325.53)	(405.42)	(148.55)
12	<b>Profit after tax</b>	<b>161.52</b>	<b>90.50</b>	<b>358.46</b>	<b>512.72</b>	<b>424.54</b>	<b>196.94</b>
13	- Paid-up Equity Share Capital (Face Value Rs.10/- each)	679.21	679.21	679.21	679.21	679.21	679.21
14	- Paid up 8% Non-Convertible Cumulative Redeemable Preference Share Capital (Face Value Rs.100/- each)	508.00	508.00	508.00	508.00	508.00	508
15	Reserves excluding revaluation reserve	2,186.15	2,134.54	2,186.15	2,134.54	1,869.07	1986.02
16	Basic and diluted earnings per share (Rs.)	2.21	1.19	4.54	7.41	5.92	2.33
17	Aggregate of Public Shareholding						
	- Number of Equity Shares	2,120,192	2,120,192	2,120,192	2,120,192	2,120,192	#####
	- Percentage of Equity Shareholding	31	31	31	31	31	31

**Segment wise Revenue, Results and Capital Employed**

(Rupees in lacs)

S.No.	Particulars	Unaudited				Audited	
		3 months ended 31.12.2006	3 months ended 31.12.2005	9 months ended 31.12.2006	9 months ended 31.12.2005	Financial Year ended 31.03.2006	
<b>1</b>	<b>Segment Revenue</b>	-					
	a. Milk & Milk Products	14,487.62	13,440.63	39,476.07	38,614.21	50,431.39	#####
	b. Ice-cream and Others	794.22	479.19	3,471.11	2,852.28	4,050.47	2,676.89
	<b>Sales from Operations</b>	<b>15,281.84</b>	<b>13,919.82</b>	<b>42,947.18</b>	<b>41,466.49</b>	<b>54,481.86</b>	#####

<b>2</b>	<b>Segment Results (Profit before Tax an</b>						
	a. Milk & Milk Products	686.52	479.10	1,699.37	1,901.70	1,915.51	1,012.85
	b. Ice-cream and Others	56.32	(37.67)	287.88	124.38	529.87	231.56
	<b>Total</b>	<b>742.84</b>	<b>441.43</b>	<b>1,987.25</b>	<b>2,026.08</b>	<b>2,445.38</b>	<b>1,244.41</b>
	Less: Interest (net)	257.37	264.99	712.78	696.56	926.52	455.41
	Unallocable expenditure (net of unallo)	219.32	27.75	662.83	491.27	688.90	443.51
	<b>Total Profit / (Loss) before tax</b>	<b>266.15</b>	<b>148.69</b>	<b>611.64</b>	<b>838.25</b>	<b>829.96</b>	<b>345.49</b>
<b>3</b>	<b>Capital employed</b>						
	a. Milk & Milk Products	11,678.80	11,061.37	11,678.80	11,061.37	10,521.48	#####
	b. Ice-cream and Others	1,382.31	1,154.42	1,382.31	1,154.42	1,394.94	1,349.08
	c. Unallocable	(9,687.75)	(8,894.04)	(9,687.75)	(8,894.04)	(8,860.14)	#####
	<b>Total</b>	<b>3,373.36</b>	<b>3,321.75</b>	<b>3,373.36</b>	<b>3,321.75</b>	<b>3,056.28</b>	<b>3,173.23</b>

- Notes:**
- The above results were taken on record by the Board of Directors at their meeting held on 30 January 2007.
  - The auditors of the Company in the report for the year ended 31 March 2006 had 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.
  - Effective 1 April 2006, the Company has adopted revised Accounting Standard 15 (AS 15), Employee Benefits as issued by Institute of Chartered Accountants of India. Pursuant to the actuarial valuation, the net additional liability as on 1 April 2006 for defined benefit plans towards Gratuity amounting to Rs 41.39 Lacs (net of deferred tax of Rs 21 lacs) has been adjusted against opening balance of revenue reserves.
  - Provision for tax includes Rs 15.04 lacs (corresponding previous quarter Rs Nil) for fringe benefit tax.
  - Earnings per share is computed after considering the impact of dividend payable on 8% non-convertible cumulative redeemable preference shares.
  - Preference Shares issued during the quarter ended 30 June 2006 were redeemed during the quarter ended 30 September 2006.
  - Prior period income of Rs 130.88 lacs represents the value of scrip license eligible under the Vishesh Krishi Upaj Yojana as an incentive for the export of Dairy ingredients for the 6 months ended 30 September 2005.
  - Status of investor grievances for the quarter ended 31 December 2006.

No. of Complaints Pending as at 1 October 2006	Received during the quarter	Disposed during the quarter	Lying unresolved as at 31-Dec-06
1	17	18	0

For and on behalf of the Board

Place : Chennai - 17.  
Date : 30 January 2007

R.G. Chandramogan  
Managing Director