

ANNUAL REPORT

2023



HAP

Hatsun Agro Product Limited



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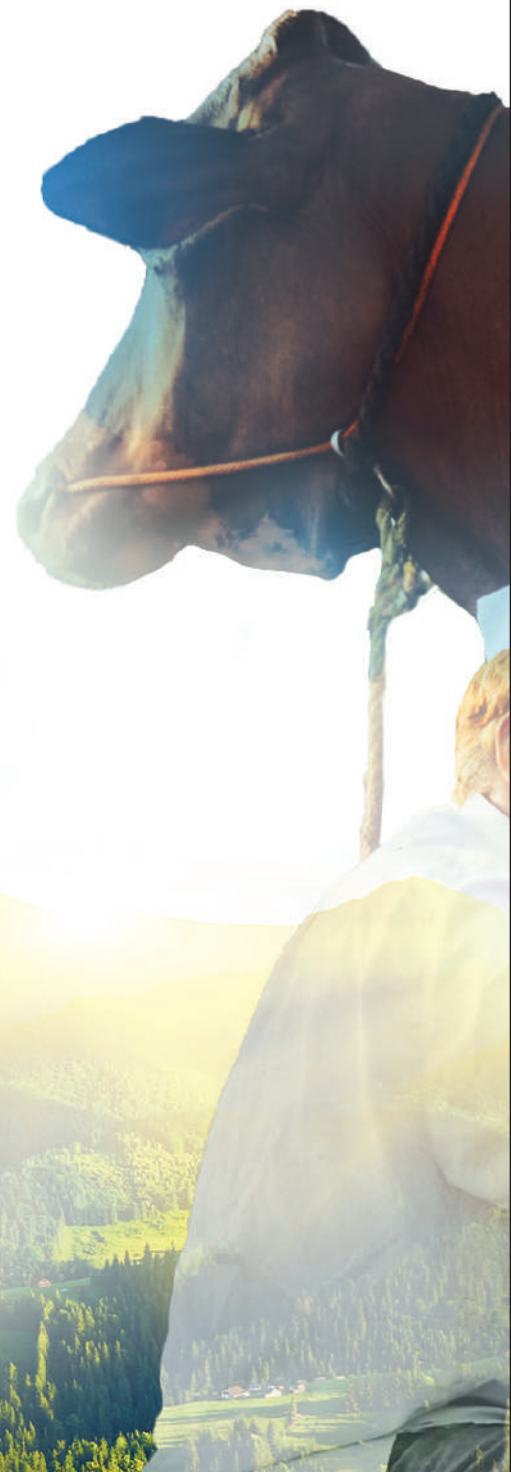
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Statement of
Profit and Loss

A YEAR OF HOPE, HAPPINESS AND GRATITUDE

Over the years, the world of HAP has grown to include more products, brands and experiences. More importantly, our Company has grown to include more people. And more people equates to new ideas, better innovations and more fulfillment.

At HAP, we value our farmers, stakeholders, customers and our employees, because they form the heart and soul of the organisation. They are the reason we exist and will continue to thrive in the future. The products and brands you see in the pages that follow are a testament to the hard work of our partners and vendors.





BOARD OF DIRECTORS

R.G. CHANDRAMOGAN

Chairman

R.G. Chandramogan, aged 74 years, is the Chairman of the Company. He has been in the dairy business for more than five decades. In February 2018, the Indian Dairy Association awarded Patronship to R.G. Chandramogan in recognition of the valuable services rendered by him in furthering the cause of the Indian Dairy Association and the dairy industry, through planning and development.

P. VAIDYANATHAN

Non-Executive

Non-Independent Director

P. Vaidyanathan, aged 75 years, was an Independent Director of the Company. On completion of his first term of Independent Directorship as per the provisions of The Companies Act, 2013 and SEBI LODR Regulations, 2015, he was appointed as Non-Executive Non-Independent Director of the Company. He is a Fellow Member of the Institute of Chartered Accountants of India, Associate Member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He has over 30 years of experience in finance functions. He holds the Directorship in Economist Communications Ltd., Suja Shoei Industries Pvt.Ltd., Integrated Investment Management Services Pvt.Ltd., Integrated Fintech Education Foundation and Partnership in Sri Smart LLP.

C. SATHYAN

Managing Director

C. Sathyan, aged 44 years, is the Managing Director. He was conferred with the title of 'Doctor of Letters' for his entrepreneurship and philanthropy by the International Tamil University, USA. He has held various executive positions during his career, spanning over 20 years. He is in-charge of the day-to-day operations of the Company. He was re-designated as Managing Director from the position of Executive Director upon the relinquishment of the position of Managing Director by Shri. R.G. Chandramogan.

K.S. THANARAJAN

Non-Executive

Non-Independent Director

K.S. Thanarajan, aged 74 years, is the Non-Executive Director of the Company. He holds a Master's Degree in Economics from the University of Madras. He was in-charge of day-to-day operations of the dairy division of the Company. He has been in the dairy business for more than 20 years.

CHALINI MADHIVANAN

Independent Director

Chalini Madhivanan, aged 66 years, is an Independent Woman Director of the Company. She holds a Bachelor's degree in Medicine and Surgery from Madurai Kamaraj University and a diploma in Ophthalmology from Madras University. She completed a training program in Radial Keratotomy and Keratoplasty from the Institute of Clinical Ophthalmology, Kiryu Eye Clinic, Japan. She has over thirty eight years of experience in the medical industry. She holds the position of Managing Director in M.N. Eye Hospital Private Limited.





BALAJI TAMMINEEDI **Independent Director**

Balaji Tammineedi, aged 62 years, is an Independent Director of the Company. He is an entrepreneur and holds a Master's Degree in Management from the Indian Institute of Planning and Management, Delhi. He has more than 23 years of experience in the dairy industry. He is a partner in Prism Ventures LLP, Traditions Jewellery LLP and Blue Sky Brundhavana LLP and a Director in Jyothi Pure Water Pvt.Ltd., Prism Infraspace Pvt.Ltd., Prism Infrabuild Pvt.Ltd and Prism Infobuild Pvt.Ltd.,

B. THENAMUTHAN **Independent Director**

B. Thenamuthan, aged 62 years, is an Independent Director of the Company. He holds a Master's Degree in Communication and Journalism from the University of Madras. He has over 19 years of experience in the field of journalism. He is the Managing Director of Karnataka News Publications Private Limited.

D. SATHYANARAYAN **Non-Executive** **Non-Independent Director**

D. Sathyanarayan, aged 64 years is a Non-Executive Non-Independent Director. He is a Bachelor of Science and holds a Master's Degree in Public Administration. He has more than three decades of experience in handling Factory Operations, Food Safety, Quality Control and commissioning of new plants.

S. SUBRAMANIAN **Independent Director**

S. Subramanian, aged 64 years, is an Independent Director. He holds a Postgraduate Degree in Commerce and Management and is a finance professional with more than 30 years of experience in the Manufacturing Industry. He has expertise and knowledge in the areas of Corporate Finance, Accounting, Capital Structuring, Governance and Compliance matters.

V.R. MUTHU **Independent Director**

V.R. Muthu, aged 69 years, is a Graduate in Commerce and has rich experience in the Business/Commercial spheres for over a period of 20 years. He is the Managing Director of V.V.V & Sons Edible Oils Limited which owns the fastest growing Oil brands in India namely "Idhayam Gingelly Oil" and "Mantra Ground Nut Oil". He holds a Directorship in Thangamayil Jewellery Ltd., Idhayam-G Finance and Investment Services Ltd., Idhayam-G Jagath Nidhi Ltd., Virudhunagar Chamber of Commerce and Industry, Virudhunagar Kamaraj Memorial Software Pvt.Ltd., and Idhayam Parikshan Labs Ltd.,



FROM THE CHAIRMAN'S DESK

Dear Stakeholders,

Every year brings with it a share of challenges. Last year was no different, but neither was our approach to solving them. We looked at each of these obstacles as opportunities to grow, and moved forward together. We are sure the coming year will bring even greater challenges, but I assure you that we are more than ready to face them head on and deliver quality to our customers. I take this opportunity to thank you, as always, for your continued loyalty and support. I look forward to continuing this wonderful journey with you.

Yours sincerely,
R.G. Chandramogan

MILK SOURCING AND ANIMAL HUSBANDRY

MILK SOURCING PROCESS

- Right from the start. More than 4.5 lakh farmers deposit milk at over 12,000 HMBs (Hatsun Milk Banks) for quality testing.
- Our aim is to ensure the best possible outcome, and benefits for all parties involved, especially the farmer.

QUALITY PARAMETERS

- Pricing per litre is based on testing done against two parameters – Fat and SNF.
- Farmer payments are made every 10 days based on this.

FARMER MANAGEMENT

We have a state-of-the-art database that makes sure that farmer payments are made on time.

ACTIVE BULK COOLER (ABC)

- An advanced system installed at the village level to help source and chill the milk.
- They are present in over 1300 locations and help in improving quality and freshness.

ADVANTAGES OF ABC

- Farmers gain more flexibility in milking their cows.
- Instant chilling within two hours.
- Increase in milk quantity.
- No milk spoilage or spillage.
- Improved shelf life.

ANIMAL HUSBANDRY

- Our animal husbandry team helps improve profitability at the dairy farm level by increasing efficiency and output, and reducing costs.
- These professionals provide the farmers with essential forages and concentrates.

ARTIFICIAL INSEMINATION

- A highly trained team visits the villages to provide artificial insemination services from quality bulls.
- The process ensures that milch cows produce a calf every year with better genetic qualities.

