**Ref: SECT: STOC: 48 – 14**

21st October, 2014

To
The Secretary,
**The Stock Exchange, Mumbai**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To
**The Manager,**
**Listing Department,**
**National Stock Exchange of India Limited,**
Exchange Plaza, C-1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Dear Sir / Madam,

**Sub: Submission of Soft copy of quarterly updates - reg**

Ref: 1) Stock Code: **519552 / HERITGFOOD**

With reference to the above mentioned subject, we are forwarding a soft copy of the quarterly updates which covers the miles stones achieved by the company and intended to achieved during the Quarter ended 30th September, 2014 in the future apart from that there are certain other information which is required to be know by our existing shareholders as well as prospective investors of the company.

Therefore we will request you to display in the website of the stock exchanges to the benefit of the investor community.

This is for your information and record.

Thanking you,

Yours Faithfully,
For **HERITAGE FOODS LIMITED**

**UMAKANTA BARIK**
Company Secretary
M.No:FCS-6317

**Encls: a/a**

# Quarterly Update Q2FY15

Bring Home Health & Happiness

# Disclaimer

***The release contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances. Therefore the investors are requested to make their own independent assessments and judgments by considering all relevant factors before making any investment decision. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.***

# Heritage Fresh bags Most Admired Retailer Award…

**The Heritage Foods Limited is proud to announce that it has bagged <u>"Most Admired Retailer of the Year 2014 (Food & Grocery)"</u> from India Retail Forum on Thursday September 18, 2014.**

The Award was won amidst much competition the category of Food & Grocery space and the assessment period for Awards was April 1, 2013 through March 31 2014.

*"Winning an Award of this stature is indeed recognition of our efforts in the Retail space. This will definitely inspire us to do even more better going forward,"* Smt N Bhuvaneswari, Vice Chairperson & Managing Director, Heritage Foods Ltd, said.

For selecting the winners, the Jury comprising prominent personalities from the industry, gave weightage to factors like: growth of company in retail space; sales margins; implementation and usage of technology; vendors payment cycle; and relations with employees and how they are kept motivated.

In the Retail space, Heritage Foods currently has 82 stores under the banner Heritage Fresh, occupying 3,04,708 square feet. Heritage Foods plans to add another 1 lakh square feet in two years time frame. Heritage Fresh is currently present in South in cities like Hyderabad, Bangalore, and Chennai.

**About India Retail Forum**

India Retail Forum (IRF) is the premier knowledge and networking platform for India's burgeoning retail and shopping centre industries Recognised by the international retail community through its B2B Magazines, Conferences, Exhibitions, Research Volumes, Web Portals & Online Services, the Images Group is a retail intelligence organization that is trusted as the catalyst for profitable growth of modern retail through knowledge platform leadership.

# Q2FY15 Key Highlights

- Total Turnover has improved on YoY by 20.57% at Rs 5123.80 mn.
- Dairy Revenue is higher by 17% at Rs 3831 mn.
- Dairy EBITDA is however lower at Rs 190 mn (Rs 262 mn) due to increase in value and usage of SMP and extended summer season.
- Value Added Products in Dairy surged forward by 28.33% at Rs 718.80 mn.
- Retail Revenue is up by 30.45% at Rs 1227 mn.
- Retail EBITDA has improved at Rs (15) mn as against (Rs 35) mn in Q2 last year.
- On Agri front, EBITDA has turned positive at Rs 3 mn as against Rs (3.20) mn in Q2 last year.
- On Bakery front, EBITDA has improved at Rs (0.50) mn as against Rs (1.80) mn in Q2 last year.

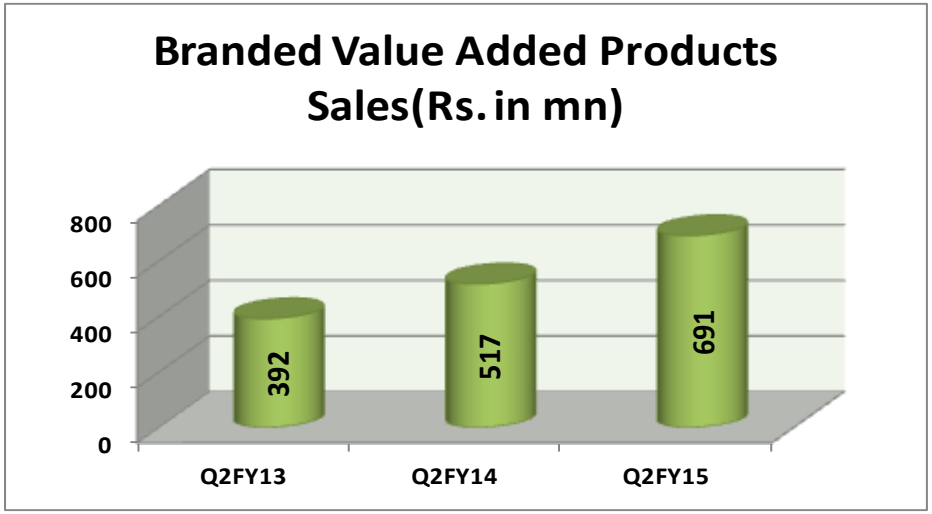
# Q2FY15 Key metrics - Dairy

| | Q2FY15 | Q2FY14 | YOY % |
|---|---|---|---|
| Liquid milk sales (llpd) | 8.32 | 8.27 | 1% |
| Liquid milk price real. (Rs/l) | 36.99 | 31.65 | 17% |
| | | | |
| Milk Procurement (llpd) | 9.08 | 8.13 | 12% |
| Milk procurement price (Rs/l) | 30.96 | 26.27 | 18% |
| | | | |
| Branded Value added Products sales (Rs mn) | 691 | 517 | 34% |
| | | | |
| No. of Parlours | 1245 | 1222 | 2% |

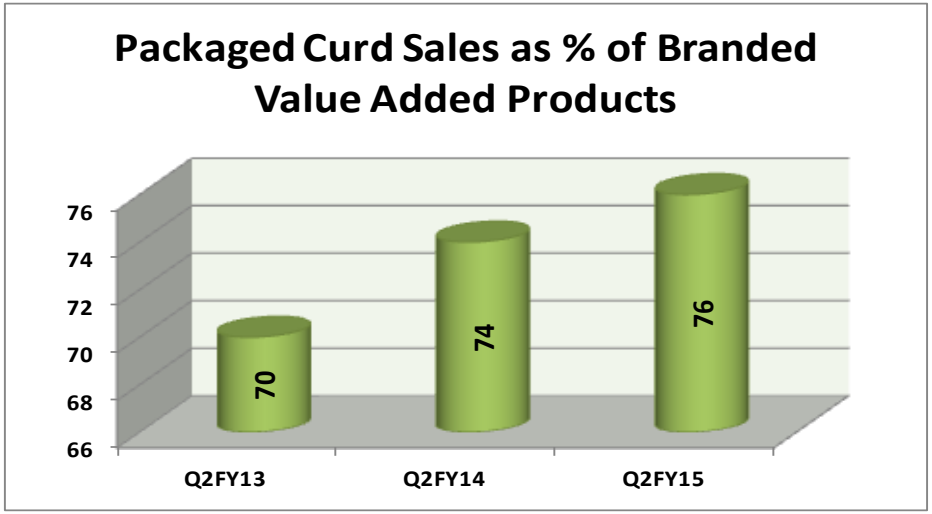
llpd: lakh liters per day

# Q2FY15 Key metrics - Dairy (Branded Value Added Products)

| Branded Value Added Products | |
|---|---|
| Year | Sales(Rs. in mn) |
| Q2FY13 | 392 |
| Q2FY14 | 517 |
| Q2FY15 | 691 |




| Packaged Curd Sales | |
|---|---|
| Year | As % of Branded Value Added Products |
| Q2FY13 | 70 |
| Q2FY14 | 74 |
| Q2FY15 | 76 |



# Q2FY15 Key Highlights - Dairy

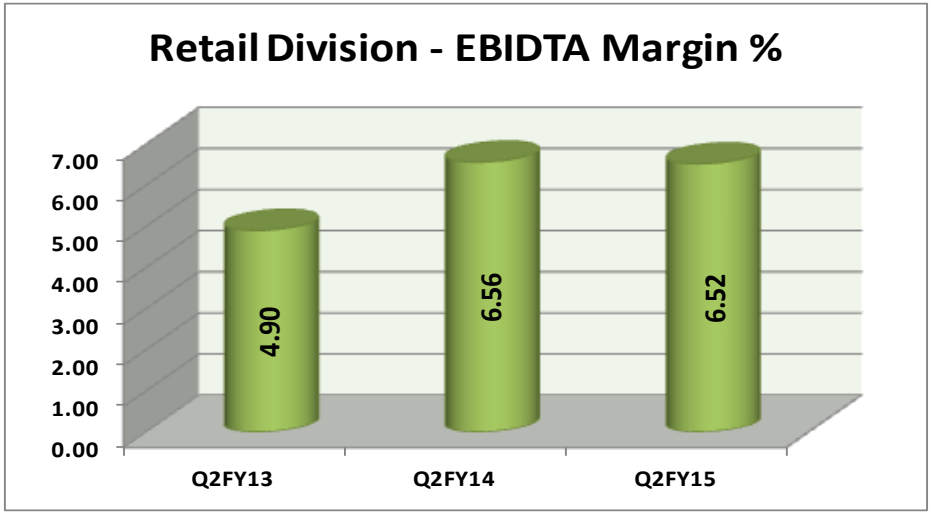
- 17 % yoy growth in turnover to Rs 3831 mn
  - 1 % yoy growth in Milk sales to 8.32 LLPD (lakh litres per day)
- 34% yoy growth achieved in Branded Value Added Products sales
  - 37 % yoy growth in Packaged Curd sales (accounts for approx. 76 % of Branded Value added products sales)
- 12 % yoy growth in milk procurement to 9.08 LLPD (lakh litres per day)
- EBITDA of Rs 190 mn (EBITDA margin of 4.96 %) as against Rs 262 mn(EBITDA margin of 7.99 %) in Q2FY14
- Dairy Parlors as on 30.09.2014 are 1245 Nos.

# Q2FY15 Key metrics - Retail

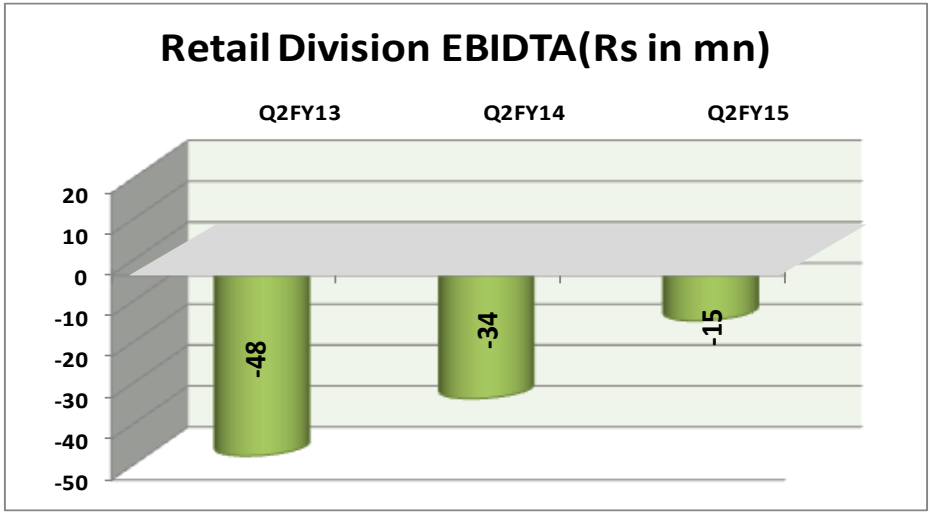
| Particulars | Q2FY15 | Q2FY14 | YOY % |
|---|---|---|---|
| No. of stores | 82 | 69 | 18.84 |
| Total carpet area('000 sq ft) | 304 | 217 | 40.09 |
| Effective Carpet Area(sq ft) | 300 | 210 | 42.86 |
| | | | |
| **Avg store sales(Rs/ sq ft/month)** | **1199** | **1259** | -4.76 |
| | | | |
| Heritage Fresh Stores | 1079 | 792 | 36.19 |
| Institutional, General Trade & Others | 66 | 79 | -15.94 |
| Other Operating Income | 82 | 70 | 17.55 |
| **Total Revenue(Rs mn)** | **1227** | **941** | **30.45** |
| | | | |
| **Total Gross Profit** | **236** | **188** | **25.74** |
| Gross margin(%) | 19.25 | 20.00 | -3.61 |
| Gross margin Heritage Fresh(%) | 20.51 | 21.10 | -2.70 |
| | | | |
| **EBITDA at store level(Rs mn)** | **80** | **62** | **29.71** |
| EBITDA margin(%) | 6.50 | 6.60 | -0.57 |
| Regional & Corporate Overheads(Rs mn) | 95 | 96 | -1.27 |
| Overheads/sft/month | 105 | 153 | -30.89 |
| **EBITDA(Rs mn)** | **-15.00** | **-34.00** | **-56.94** |

# Q2FY15 Key metrics - Retail

| Retail Division | |
|---|---|
| Year | EBIDTA Margin% |
| Q2FY13 | 4.90 |
| Q2FY14 | 6.56 |
| Q2FY15 | 6.52 |




| Retail Division | |
|---|---|
| Year | EBIDTA(Rs in mn) |
| Q2FY13 | -48 |
| Q2FY14 | -34 |
| Q2FY15 | -15 |



# Q2FY15 Key Highlights - Retail

- SSS (considering 64 comparable stores) stood at 5.40 %.
- Average Bill Value (ABV) increased by 1 % yoy to Rs 244 (Rs 242 in 2QFY14) on same store basis.
- No. of Bills (NOB) grown by 4.30 % yoy to 32.50 mn ( 31.10 mn in 2QFY14) on same store basis.
- Store Gross margin decreased by 57 bps to 20.51 % and overall gross margin decreased by 73 bps.
- Store fixed cost decreased to Rs 174/sq ft/month (Rs 200 in 2QFY14).
- Regional & Corporate Overheads decreased by Rs 47/sq ft/month compare to Q2FY14 (Rs 153)
- Store opened : 6 new stores opened during the quarter.

# Q2FY15 Key Highlights – Renewable Energy

- **Heritage Foods Ltd has in association with Mahindra EPC Services Private Limited has commissioned a 2.34 MWP Solar Power Project at IPH, Masjid Adavi Village, Mulugu Mandal, in Medak district near Hyderabad on September 29, 2013, under REC mechanism and to meet for the captive energy requirement.**
- **Turnover in Q2FY15 was Rs 5.44 mn.**
- **Capital Employed for Renewable Energy division Rs 162.68 mn.**

# Q2FY15 Financial Results

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED SEPTEMBER 30, 2014 (` in Lakhs)**

| PARTICULARS | STANDALONE | | | | | | CONSOLIDATED | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Quarter Ended | | | Half Year Ended | | Year Ended | Quarter Ended | | | Half Year Ended | | Year Ended |
| | 30-Sep-14 | 30-Jun-14 | 30-Sep-13 | 30.09.2014 | 30.09.2013 | 31-Mar-14 | 30-Sep-14 | 30-Jun-14 | 30-Sep-13 | 30.09.2014 | 30.09.2013 | 31-Mar-14 |
| | Unaudited | Unaudited | Unaudited | (Unaudited) | (Unaudited) | (Audited) | Unaudited | Unaudited | Unaudited | (Unaudited) | (Unaudited) | (Audited) |
| **1) Income from operations** | | | | | | | | | | | | |
| Net Sales/Income from Operations | **50394.15** | **49680.33** | **41792.28** | **100074.48** | **84531.58** | **169506.35** | **50394.15** | **49680.33** | **41792.28** | **100074.48** | **84531.58** | **169506.35** |
| Other Operating Income | 844.08 | 896.43 | 703.26 | 1740.51 | 1520.87 | 2697.64 | 844.08 | 896.43 | 703.26 | 1740.51 | 1520.87 | 2697.64 |
| **Total income from operations** | **51238.23** | **50576.76** | **42495.34** | **101814.99** | **86052.45** | **172203.99** | **51238.23** | **50576.76** | **42495.34** | **101814.99** | **86052.45** | **172203.99** |
| **2) Expenses** | | | | | | | | | | | | |
| Cost of materials consumed | 31605.09 | 31442.72 | 24942.00 | 63047.81 | 49685.56 | 103058.18 | 31605.09 | 31442.72 | 24942.00 | 63047.81 | 49685.56 | 103058.18 |
| Purchase of stock in trade | 10683.30 | 10154.37 | 7957.86 | 20837.67 | 16621.22 | 32210.89 | 10683.30 | 10154.37 | 7957.86 | 20837.67 | 16621.22 | 32210.89 |
| Changes in inventories of finished goods, work-in-progress and stock in trade | -213.41 | -271.62 | 129.38 | -485.04 | 418.57 | -888.39 | -213.41 | -271.62 | 129.38 | -485.03 | 418.57 | -888.39 |
| Employees benefit expense | 2650.04 | 2715.59 | 2667.77 | 5365.63 | 5099.87 | 10009.46 | 2650.04 | 2715.59 | 2667.77 | 5365.63 | 5099.87 | 10009.46 |
| Depreciation and Amortisation expense | 835.89 | 817.04 | 596.58 | 1652.93 | 1163.27 | 2500.23 | 835.89 | 817.04 | 596.58 | 1652.93 | 1163.27 | 2500.23 |
| Other expenses | 4783.33 | 4726.89 | 4666.33 | 9499.20 | 9267.81 | 18315.72 | 4783.33 | 4726.89 | 4666.33 | 9499.20 | 9267.81 | 18316.21 |
| **Total Expenses** | **50344.24** | **49584.99** | **40959.92** | **99918.20** | **82256.30** | **42594.66** | **50344.24** | **49584.99** | **40959.92** | **99918.20** | **82256.30** | **165206.58** |
| **3) Profit / (Loss) from operations before other income, finance costs & exceptional items(1-2)** | **893.99** | **991.77** | **1535.42** | **1896.79** | **3796.15** | **6997.91** | **893.99** | **991.77** | **1535.42** | **1896.79** | **3796.15** | **6997.41** |
| 4) Other income | 81.33 | 99.85 | 126.13 | 170.15 | 221.01 | 495.40 | 81.33 | 99.85 | 126.13 | 170.15 | 221.01 | 495.40 |
| **5) Profit/(Loss) from ordinary activities before finance cost and exceptional items (3+4)** | **975.32** | **1091.62** | **1661.55** | **2066.94** | **4017.16** | **7493.31** | **975.32** | **1091.62** | **1661.55** | **2066.94** | **4017.16** | **7492.81** |
| 6) Finance cost | 375.70 | 429.94 | 317.07 | 805.65 | 657.15 | 1322.11 | 375.70 | 429.94 | 317.07 | 805.65 | 657.15 | 1322.11 |
| **7) Profit/(Loss) from ordinary activities after finance cost and before exceptional items (5+6)** | **599.62** | **661.68** | **1344.48** | **1261.29** | **3360.01** | **6171.20** | **599.62** | **661.68** | **1344.48** | **1261.29** | **3360.01** | **6170.70** |
| 8) Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **9) Profit/(Loss) from ordinary activities before tax (7-8)** | **599.62** | **661.68** | **1344.48** | **1261.29** | **3360.01** | **6171.20** | **599.62** | **661.68** | **1344.48** | **1261.29** | **3360.01** | **6170.70** |
| 10) Tax expense | | | | | | | | | | | | |
| Current Tax/MAT | 156.00 | 208.00 | 195.05 | 364.00 | 714.15 | 1303.55 | 156.00 | 208.00 | 195.05 | 364.00 | 714.15 | 1303.55 |
| Prior period tax | -0.47 | 0.02 | -0.46 | -0.45 | -0.46 | -0.46 | -0.47 | 0.02 | -0.46 | -0.45 | -0.46 | -0.46 |
| Deferred Tax Charge/(Credit) | -39.43 | -76.09 | 134.14 | -115.52 | 124.90 | 299.38 | -39.43 | -76.09 | 134.14 | -115.52 | 124.90 | 299.38 |
| **11) Profit/(Loss) from ordinary activities after tax (9-10)** | **483.52** | **529.75** | **1015.75** | **1013.26** | **2521.42** | 4568.73 | **483.52** | **529.75** | **1015.75** | **1013.26** | **2521.42** | 4568.73 |
| 12) Extraordinary Items | 0.00 | 0.00 | 0.00 | 0.00 | 37.50 | 37.50 | 0.00 | 0.00 | 0.00 | 0.00 | 37.50 | 37.50 |
| **13) Net Profit/(Loss) (11-12)** | **483.52** | **529.75** | **1015.75** | **1013.26** | **2483.92** | **4531.23** | **483.52** | **529.75** | **1015.75** | **1013.26** | **2483.92** | **4530.73** |
| 14) Share of profit / (loss) of associates | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -0.09 | -0.02 | 0.00 | -0.12 | -0.73 | -0.79 |
| 15) Minority interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -0.05 |
| **16) Net Profit/ (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14-15)** | **483.52** | **529.75** | **1015.75** | **1013.26** | **2483.92** | **4531.23** | **483.43** | **529.73** | **1015.75** | **1013.14** | **2483.19** | **4529.99** |
| Paid-up Equity Share Capital | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 | 2319.90 |
| Reserves (excluding revaluation reserve) | - | - | - | - | - | 15579.43 | - | - | - | - | - | 15555.98 |
| Earning Per Share before Extra Ordinary Items | | | | | | | | | | | | |
| Basic (` ) | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.69 | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.69 |
| Diluted (` ) | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.69 | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.69 |
| Earning Per Share After Extra Ordinary Items | | | | | | | | | | | | |
| Basic (` ) | 2.08 | 2.28 | 4.38 | 4.37 | 10.71 | 19.53 | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.53 |
| Diluted (` ) | 2.08 | 2.28 | 4.38 | 4.37 | 10.71 | 19.53 | 2.08 | 2.28 | 4.38 | 4.37 | 10.87 | 19.53 |
| **Public Share Holding** | | | | | | | | | | | | |
| Number of shares | 13,913,154 | 13,913,554 | 13,913,654 | 13,913,154 | 13,913,654 | 13,913,154 | 13,913,154 | 13,913,554 | 13,913,654 | 13,913,154 | 13,913,654 | 13,913,154 |
| Percentage of Public shareholding | 59.97 | 59.97 | 59.98 | 59.97 | 59.98 | 59.97 | 59.97 | 59.97 | 59.98 | 59.97 | 59.98 | 59.97 |

# Q2FY15 Financial Results - Segmental

| SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED SEPTEMBER 30, 2014 (` in Lakhs) | STANDALONE | | | | | | CONSOLIDATED | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PARTICULARS | Quarter Ended | | | Half Year Ended | | Year Ended | Quarter Ended | | | Half Year Ended | | Year Ended |
| | 30-Sep-14 | 30-Jun-14 | 30-Sep-13 | 30.09.2014 | 30.09.2013 | 31-Mar-14 | 30-Sep-14 | 30-Jun-14 | 30-Sep-13 | 30.09.2014 | 30.09.2013 | 31-Mar-14 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| **1. Segment Revenue** | | | | | | | | | | | | |
| a. Dairy | 38314.31 | 38264.58 | 32749.25 | 76578.89 | 66415.70 | 132819.16 | 38314.31 | 38264.58 | 32749.25 | 76578.89 | 66415.70 | 132819.16 |
| b. Retail | 12272.74 | 11768.66 | 9386.30 | 24041.40 | 19055.91 | 37792.56 | 12272.74 | 11768.66 | 9386.30 | 24041.40 | 19055.91 | 37792.56 |
| c. Agri | 2135.19 | 2123.47 | 1698.90 | 4258.66 | 3247.01 | 6783.33 | 2135.19 | 2123.47 | 1698.90 | 4258.66 | 3247.01 | 6783.33 |
| d. Bakery | 139.36 | 108.83 | 76.41 | 248.19 | 170.47 | 366.27 | 139.36 | 108.83 | 76.41 | 248.19 | 170.47 | 366.27 |
| e. Renewable Energy | 54.35 | 59.75 | - | 114.10 | - | 77.35 | 54.35 | 59.75 | - | 114.10 | 0.00 | 77.35 |
| f. HFRL | - | - | - | - | - | - | - | - | - | - | - | - |
| g. Heritage Conpro Ltd | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Segment Revenue** | **52915.95** | **52325.28** | **43910.85** | **105241.23** | **88889.09** | **177838.67** | **52915.95** | **52325.28** | **43910.85** | **105241.23** | **88889.09** | **177838.67** |
| **Less:** Inter Segment Revenue | 1677.72 | 1748.52 | 1415.51 | 3426.24 | 2836.63 | 5634.67 | 1677.72 | 1748.52 | 1415.51 | 3426.24 | 2836.63 | 5634.67 |
| **Net Sales / Income from Operations** | **51238.23** | **50576.76** | **42495.34** | **101814.99** | **86052.45** | **172203.99** | **51238.23** | **50576.76** | **42495.34** | **101814.99** | **86052.45** | **172203.99** |
| | | | | | | | | | | | | |
| **2. Segment Results** | | | | | | | | | | | | |
| (Profit (+) / (Loss) (-) before finance costs and tax) | | | | | | | | | | | | |
| a. Dairy | 1399.42 | 1551.92 | 2251.75 | 2951.35 | 5211.79 | 9869.18 | 1399.42 | 1551.92 | 2251.75 | 2951.35 | 5211.79 | 9869.18 |
| b. Retail | -374.92 | -441.99 | -481.05 | -816.91 | -1007.89 | -1992.16 | -374.92 | -441.99 | -481.05 | -816.91 | -1007.89 | -1992.16 |
| c. Agri | -28.77 | -12.37 | -81.15 | -41.14 | -139.50 | -298.70 | -28.77 | -12.37 | -81.15 | -41.14 | -139.50 | -298.70 |
| d. Bakery | -27.92 | -28.81 | -31.38 | -56.74 | -60.20 | -102.13 | -27.92 | -28.81 | -31.38 | -56.74 | -60.20 | -102.13 |
| e. Renewable Energy | 3.27 | 17.85 | -1.44 | 21.11 | -1.44 | -11.54 | 3.27 | 17.85 | -1.44 | 21.11 | -1.44 | -11.54 |
| f. HFRL | - | - | - | - | - | - | 0.00 | - | 0.00 | 0.00 | 0.00 | -0.28 |
| g. Heritage Conpro Ltd | - | - | - | - | - | - | 0.00 | - | 0.00 | 0.00 | 0.00 | -0.22 |
| **Total Segment Results** | **971.08** | **1086.59** | **1656.74** | **2057.67** | **4002.77** | **7464.64** | **971.08** | **1086.59** | **1656.74** | **2057.67** | **4002.77** | **7464.14** |
| **Less: i.** Finance costs | 375.70 | 429.94 | 317.07 | 805.65 | 657.15 | 1322.11 | 375.70 | 429.94 | 317.07 | 805.65 | 657.15 | 1322.11 |
| **ii.** Other un-allocable Expenditure net off | 0.00 | - | - | 0.00 | - | 15.17 | 0.00 | - | - | 0.00 | - | 15.17 |
| **Add: i.** Interest Income | 4.21 | 5.03 | 4.72 | 9.24 | 14.30 | 43.70 | 4.21 | 5.03 | 4.72 | 9.24 | 14.30 | 43.70 |
| **ii.** Other un-allocable Income | 0.04 | - | 0.09 | 0.04 | 0.09 | 0.14 | 0.04 | - | 0.09 | 0.04 | 0.09 | 0.14 |
| **Total Profit before Tax** | **599.62** | **661.68** | **1344.48** | **1261.29** | **3360.01** | **6171.20** | **599.62** | **661.68** | **1344.48** | **1261.30** | **3360.01** | **6170.70** |
| | | | | | | | | | | | | |
| **3. Capital Employed** | | | | | | | | | | | | |
| **Segment Assets -Segment Liabilities)** | | | | | | | | | | | | |
| a. Dairy | 15112.09 | 17665.55 | 12856.62 | 15112.09 | 12856.62 | 17611.21 | 15112.09 | 17665.55 | 12856.62 | 15112.09 | 12856.62 | 17611.21 |
| b. Retail | 7406.67 | 6746.62 | 6040.95 | 7406.67 | 6040.95 | 6460.95 | 7406.67 | 6746.62 | 6040.95 | 7406.67 | 6040.95 | 6460.95 |
| c. Agri | 3304.30 | 3465.69 | 2964.57 | 3304.30 | 2964.57 | 3368.09 | 3304.30 | 3465.69 | 2964.57 | 3304.30 | 2964.57 | 3368.09 |
| d. Bakery | 1083.13 | 1089.97 | 1137.63 | 1083.13 | 1137.63 | 1119.33 | 1083.13 | 1089.97 | 1137.63 | 1083.13 | 1137.63 | 1119.33 |
| e. Renewable Energy | 1626.82 | 1655.11 | 1511.06 | 1626.82 | 1511.06 | 1675.05 | 1626.82 | 1655.11 | 1511.06 | 1626.82 | 1511.06 | 1675.05 |
| f. HFRL | - | - | - | - | - | - | -0.13 | -0.34 | -0.12 | -0.13 | -0.12 | -0.39 |
| g. Heritage Conpro Ltd | - | - | - | - | - | - | -0.13 | -0.34 | -0.17 | -0.13 | -0.17 | -0.39 |
| h. Unallocated | 79.52 | 116.09 | 327.67 | 79.52 | 327.67 | 143.85 | 79.52 | 116.09 | 327.67 | 79.52 | 327.67 | 143.85 |
| **Total** | **28612.52** | **30739.03** | **24838.50** | **28612.52** | **24838.50** | **30378.50** | **28612.25** | **30738.35** | **24838.21** | **28612.25** | **24838.21** | **30377.71** |

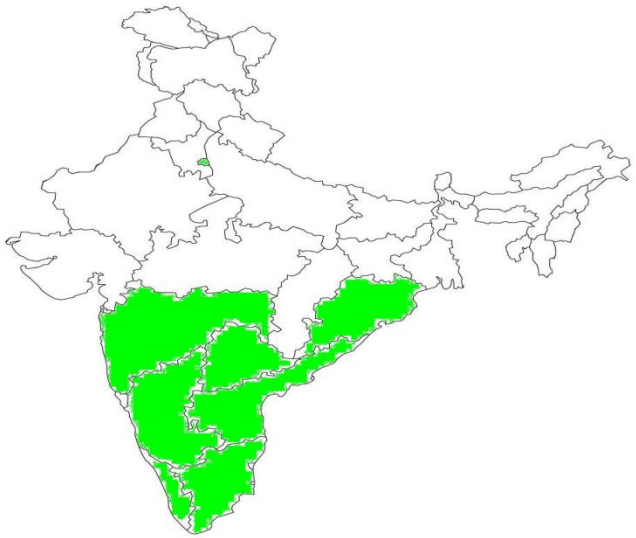
# Q2FY15 Shareholding Pattern

## As on September 2014

| | mn shares | % holding |
|---|---|---|
| Promoters | 9.28 | 40.03 |
| FIIs | 0.75 | 3.24 |
| Domestic Institutions | 0.31 | 1.36 |
| Others | 12.85 | 55.37 |
| **Total** | **23.19** | **100** |

# Q2FY15 Dairy - Spread of Operations

- **Widest regional footprint in India among privately held dairy companies. Spread across 8 states:**
  - **Andhra Pradesh**
  - **Telangana**
  - **Tamil Nadu**
  - **Karnataka**
  - **Maharashtra**
  - **Kerela**
  - **Odisha**
  - **Delhi**
- **Present in the highest milk producing states in India.**
- **One of the leading private sector dairy companies in India in sales and volumes.**



| Particulars | Andhra Pradesh | Telangana | Tamil Nadu | Karnataka | Maharashtra | Kerala | Odisha | Delhi | Total |
|---|---|---|---|---|---|---|---|---|---|
| Total Procurement of Milk (LPD) | 445,939 | 56,268 | 156,722 | 17,773 | 218,419 | 0 | 0 | 12,735 | 907,856 |
| No. of Chilling Plants | 69 | 34 | 12 | 0 | 6 | 0 | 0 | 2 | 123 |
| Chilling Capacity (LPD) as on 30.09.2014 | 969,000 | 154,000 | 251,000 | 50,000 | 90,000 | 0 | 0 | 20,000 | 1,534,000 |
| No. of processing and Packing Plants | 7 | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 13 |
| Processing Capacity (LPD) as on 30.09.2014 | 740,000 | 390,000 | 50,000 | 150,000 | 50,000 | 0 | 0 | 0 | 1,380,000 |
| Liquid Milk Sales (LPD) | 179,644 | 288,523 | 191,237 | 110,296 | 38,801 | 10,663 | 5,200 | 7,250 | 831,614 |
| Curd (Kgs/Day) | 1,615 | 2,201 | 1,047 | 354 | 247 | 0 | 427 | 0 | 5,891 |
| Ice Cream (LPD) | 57,628 | 23,066 | 27,181 | 14,411 | 65 | 623 | 2,000 | 0 | 124,974 |

*LPD:liters per day **MTPD:metric tonnes per day

# Q2FY15 Distribution Network Structure

**One Level**

**87 % sales**

Sales Office → Agents/Retailer/Parlours → Consumer

**Two Level**

**12 % sales**

Sales Office → Distributors/Stockists → Agents/Retailers → Consumer

**Three Level**

**1 % sales**

Sales Office → CFA/CA → Distributors/Stockists → Agents/Retailers → Consumer

- No of Sales offices **26**
- No of Distributors/Agents - **5200**
- No of outlets - **101000**
- No of Households serviced on daily basis: **1100000**
- No of vehicles (trucks/tankers/puff vehicles) servicing Heritage everyday: **1073**

# Range of Products

## Milk

## UHT Milk & Fresh Cream

## Flavoured Milk

Tetra Packs & Bottles

## Curd

## Fruit n Curd

## Lassi

## Butter Milk

## Sweets

## PT Butter & Cheese

## Cooking Butter

# Range of Products

## Buffalo Ghee

## Cow Ghee

## Paneer

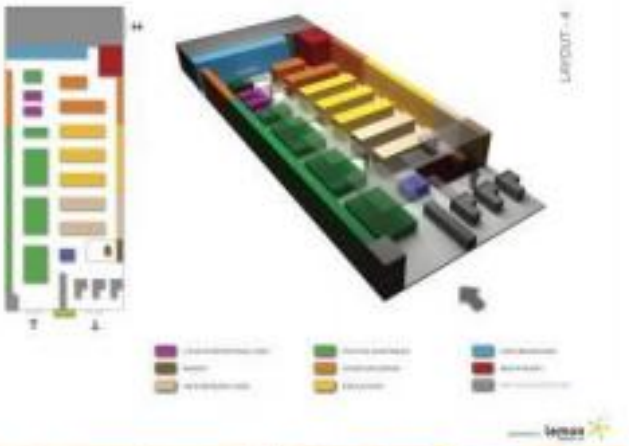
## Dairy Whitener

## Skim Milk Powder

## Ice Cream/Frozen Desert

# Business Profile - Retail Division

- Started in 2006 as a logical extension to dairy division to benefit from the food and grocery retail boom in India
- Average store area is ~3,000 sft and contains over 6,000 SKUs
- A typical store is on 9 years lease
- International concepts/standards in branding, layout, design and display
- Layout, ambience, and cleanliness standards have become a benchmark in the industry. All stores are air-conditioned, owned, operated, and maintained by the company
- Rated the highest in Customer Satisfaction among Food & Grocery chains in South India by WPP group



All Stores are in prime retail/residential locations and are on the ground flood with an average frontage of 40ft

# Quality & FRESHness

- FRESH is not just a part of our name
  - It is the essence of the relationship we have built with our customer
  - It stands for the freshness of the products we sell
  - It's also about the originality of our business model
- Direct procurement of fruits & vegetables from farmers/Heritage Agri and FMCG & grocery products from manufacturers
- Dedicated bakery facility to cater to select stores by offering a wide range of fresh bakery products

Company's value proposition is high quality fresh produce, grocery & FMCG products at competitive prices coupled with high level of service & convenience

# Pack Houses Infrastructure

# Q2FY15 Economic Activity - Manpower

| S.No | Division | Employee Strength |
|---|---|---|
| 1 | Dairy | 1895 |
| 2 | Retail | 2028 |
| 3 | Agri | 92 |
| 4 | Bakery | 33 |
| **Grand Total** | | **4048** |

# Thank You

*Bring Home Health & Happiness*