



25
YEARS
OF HERITAGE

Ref: SECT: STOC: 35 - 17

27th May, 2017

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: 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 31st March, 2017 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



Encl: a/a



HERITAGE FOODS LIMITED
(Formerly known as M/s. Heritage Foods (India) Limited)
CIN : L15209TG1992PLC014332
AN ISO: 22000 CERTIFIED COMPANY



Heritage Foods Limited

Financial Results – Q4FY17

Hyderabad, 25th May 2017

Stock Code: BSE: 519552 NSE: HERITGFOOD



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.

Vision, Mission, & Core Values



Core Values of Heritage Foods

Values for S.U.C.C.E.S.S.

- S** Speed and Agility
- U** Uphold Integrity
- C** Customer Delight
- C** Collaboration with Leadership Excellence
- E** Empowering Society & Employees
- S** Supremacy Through Innovation
- S** Sustainability

Vision for Heritage Foods Limited

Delighting Every Home with Fresh and Healthy Products
And
Empowering The Farmer

Mission for Heritage Foods Limited



To be a nationally recognized brand for healthy and fresh products with a revenue of INR 6000 Crore by 2022

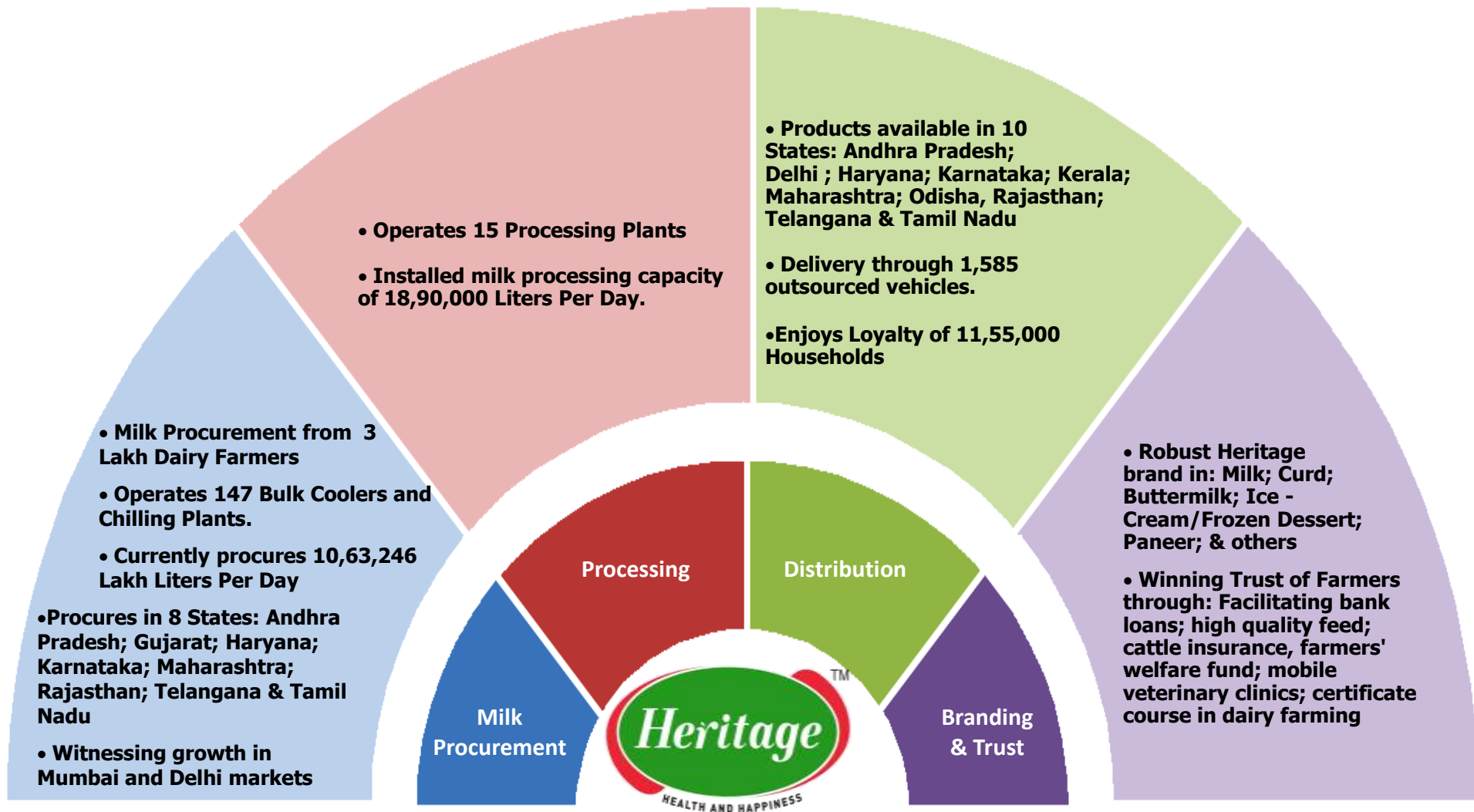
We anticipate, understand and respond to our customers' needs by creating high quality products and making them available through innovative and convenient channels.

We embrace the right technology to delight our customers.

We are a strong supporter of balancing economic, social and environmental aspects to create a better tomorrow. We are devoted to empowering the farming community through our unique "Relationship Farming" Model.

We aim to be the employer of choice by nurturing entrepreneurship, promoting empowerment alongside transparent and open communication.

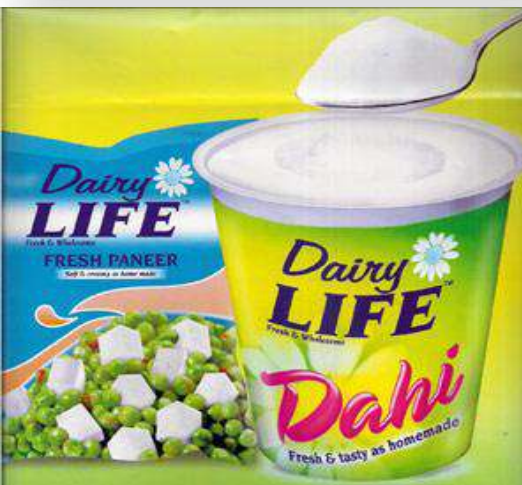
Integrated B to C Business - Strong Relationships with Dairy Farmers and Consumers



Integrates with Reliance Dairy, post acquisition...



- ✓ Acquired Reliance Dairy, part of Reliance Retail Ltd.
- ✓ Reliance Dairy procures 1.76 Lakh Liters Per Day(LLPD) as on April, 2017 from over 2,400 villages across 10 states, has 30 Milk Chilling Centers(MCCs), and 17 Bulk Milk Coolers (BMCs).
- ✓ Reliance Dairy owns 2 brands: Dairy Life and Dairy Pure.



Demerged Retail Undertaking to Future Retail....



- ✓ Completed demerger process of Retail undertaking (operating 136 stores with 4.81 lakh sq.ft), Agri, and Bakery divisions to Future Retail Ltd
- ✓ Retail operations which were started in year 2006, currently serves 24 Mn customers annually.
- ✓ Will hold 3.65% equity stake in Future Retail Ltd through fresh issuance of shares.



Q4FY17 Key Highlights



Turnover

- ✓ Total Turnover has grown by 10.66% at Rs 7003 mn.
- ✓ Dairy Revenue is higher by 6.14% at Rs 4880 mn.
- ✓ Branded Value Added Products in Dairy surged forward by 10.34% at Rs 1053 mn.

EBITDA

- ✓ Dairy EBITDA is at Rs 322 mn.

Employee Strength

- ✓ Dairy Employee Strength is 2420



Q4FY17 Key metrics - Dairy



	Q4FY17	Q4FY16	Growth %
Liquid Milk Sales (llpd)	8.75	8.44	3.67%
Liquid Milk Price Real. (Rs/l)	38.13	36.28	5.10%
Milk Procurement (llpd)	10.63	11.87	(10.45)%
Milk Procurement Price (Rs/l)	34.30	30.95	10.82%
Branded Value Added Products Sales (Rs mn)	1053	954	10.34%
No. of Parlours	1680	1455	15.46%

llpd: lakh liters per day

Q4FY17 Key metrics - Dairy (Branded Value Added Products)



Branded Value Added Products

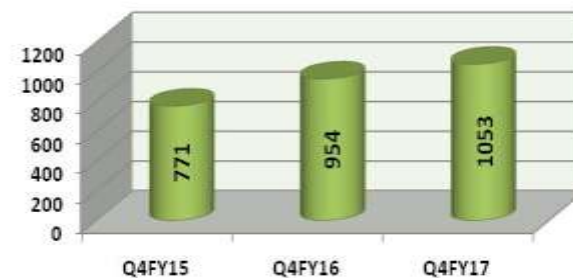
Year	Sales(Rs. in mn)
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Q4FY17	1053
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Q4FY16	954
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Q4FY15	771
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Branded Value Added Products Sales(Rs. in mn)



Packaged Curd Sales

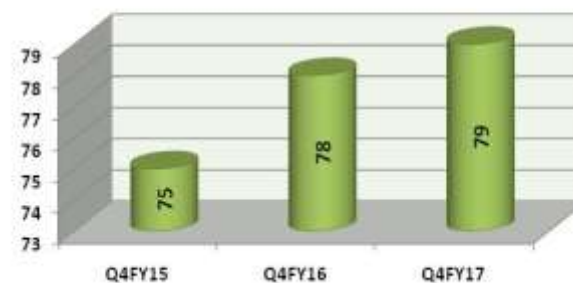
Year	As % of Branded Value Added Products
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Q4FY17	79
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Q4FY16	78
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Q4FY15	75
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Packaged Curd Sales as % of Branded Value Added Products



Q4FY17 Key Highlights - Dairy



- **6.14 % growth in Turnover to Rs 4880mn**
- **3.67 % growth in Milk volume Sales to 8.75 LLPD (Lakh Liters Per Day)**
- **10.34 % growth achieved in Branded Value Added Products Sales**
- **11.73 % growth in Packaged Curd sales (accounts for approx. 79% of Branded Value Added Products Sales)**
- **(10.45) % de-growth in Milk Procurement to 10.63 LLPD (Lakh Liters Per Day)**
- **EBITDA of Rs 322 mn (EBITDA margin of 6.60 %) as against Rs 349 mn (EBITDA margin of 7.58 %) in Q4FY16**
- **Dairy Parlors as on 30.3.2017 are 1680 Nos.**
- **Export Turnover during Q4FY17 of Rs 251 mn**
- **Capital Employed for Dairy Rs 2430 mn**



- **Commissioned Distributed Captive Solar Power Plants at its 6 various locations/plants namely, (1) Bobbili packing Station (Andhra Pradesh), (2) Battiprolu packing Station (Andhra Pradesh), (3) Kallur packing Station (Telangana), (3) Sangavi packing Station (Maharashtra), (5) Vada Madurai packing Station (Tamil Nadu) and (6) Bangalore packing Station (Karnataka) with total capacity of 1.66MW with key objective to optimize energy mix by use of clean & Green sources (Renewable) Energy sources to reduce carbon emissions and to secure energy at low cost.**
- **The Company increased its Renewable Energy Capacity to 8.2MW with 2.4MW Solar Power, 1.66MW Distributed Solar power and 4.20MW Wind Power in the states of Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu and Karnataka for the captive consumption of its Dairy plants.**
- **Turnover in Q4FY17 was Rs 17.4 mn.**

Q4FY17 Financial Results - Standalone



STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in lakhs)

Particulars	STANDALONE				
	Quarter Ended			Year Ended	
	31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1. Income from operations					
(a) Net Sales / Income from Operations (Net of excise duty)	34253.25	64935.19	61337.12	223810.49	232895.32
(b) Other Operating Income	(1173.68)	1771.52	1942.63	3529.67	5163.01
Total income from operations (a+b)	33079.57	66706.71	63279.75	227340.16	238058.33
2. Expenditure					
(a) Cost of materials consumed	35682.25	35350.79	36867.48	138176.77	141378.79
(b) Purchase of stock-in-trade	(8521.42)	16830.01	13581.92	36652.70	49296.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1328.41)	(384.01)	(886.11)	2363.78	(2808.46)
(d) Employees benefits expense	1358.32	4270.33	3865.59	13809.34	13999.11
(e) Depreciation and amortisation expense	446.55	958.91	897.25	3251.87	3451.21
(f) Other expenses	2973.54	6764.01	6071.55	22675.08	23111.50
Total expenditure (a+b+c+d+e+f)	30610.84	63790.05	60397.67	216929.53	228428.81
3. Profit / (Loss) from operations before other income, finance costs & exceptional items (1-2)	2468.73	2916.65	2882.07	10410.63	9629.52
4. Other Income	146.07	90.65	235.91	445.17	654.95
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	2614.80	3007.31	3117.98	10855.80	10284.47
6. Finance costs	360.58	244.42	381.06	1114.17	1549.27
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	2254.21	2762.88	2736.93	9741.64	8735.20
8. Exceptional Items	-	-	0.00	-	136.95
9. Profit / (Loss) from ordinary activities before tax (7-8)	2254.21	2762.88	2736.93	9741.64	8598.25
10. Tax expense					
Current Tax / MAT	585.00	646.50	878.50	2707.50	3086.50
Prior period tax	0.00	-	-	(107.43)	(18.06)
Deferred Tax Charge / (Credit)	203.04	122.25	53.50	459.11	(13.34)
11. Net Profit/ (Loss) from ordinary activities after tax (9 -10)	1466.17	1994.13	1804.93	6682.46	5543.15
12. Extraordinary Items (net of tax expense)	-	-	-	-	-
13. Net Profit/(Loss) for the period before share of profit / (loss) of associates and minority interest (11-12)	1466.17	1994.13	1804.93	6682.46	5543.15
14. Net Profit/(Loss) before tax for the period from continuing operations	2358.72	2938.40	2722.71	11521.19	10581.51
15. Tax expense of continuing operations	796.07	846.80	1020.41	3076.74	3738.74
16. Net Profit/(Loss) after tax for the period from continuing operations (14-15)	1562.65	2091.60	1702.30	8444.45	6842.77
17. Net Profit/(Loss) before tax for the period from discontinuing operations	(104.51)	(175.52)	14.20	(1779.55)	(1983.26)
18. Tax expense of discontinuing operations	(8.03)	(78.04)	(88.41)	(17.57)	(683.65)
19. Net Profit/(Loss) after tax for the period from discontinuing operations (17-18)	(96.48)	(97.48)	102.62	(1761.99)	(1299.61)
20. Share of profit / (loss) of associates	-	-	-	-	-
21. Minority interest	-	-	-	-	-
22. Net Profit/ (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	1466.17	1994.13	1804.93	6682.46	5543.15
23. Paid-up equity share capital	2319.90	2319.90	2319.90	2319.90	2319.90
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00
24. Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting year	----	----	----	28025.26	21679.38
25. Earnings per share (Rs.)					
Continuing Operations:					
a) EPS for the period before extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	6.74	9.02	7.34	36.40	29.50
ii. Diluted	6.74	9.02	7.34	36.40	29.50
a) EPS for the period after extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	6.74	9.02	7.34	36.40	29.50
ii. Diluted	6.74	9.02	7.34	36.40	29.50
Discontinuing Operations:					
a) EPS for the period before extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	(0.42)	(0.42)	0.44	(7.60)	(5.60)
ii. Diluted	(0.42)	(0.42)	0.44	(7.60)	(5.60)
a) EPS for the period after extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	(0.42)	(0.42)	0.44	(7.60)	(5.60)
ii. Diluted	(0.42)	(0.42)	0.44	(7.60)	(5.60)

Q4FY17 Financial Results - Consolidated



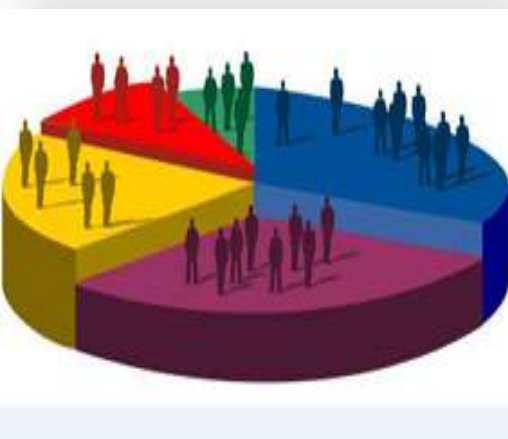
STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in lakhs)

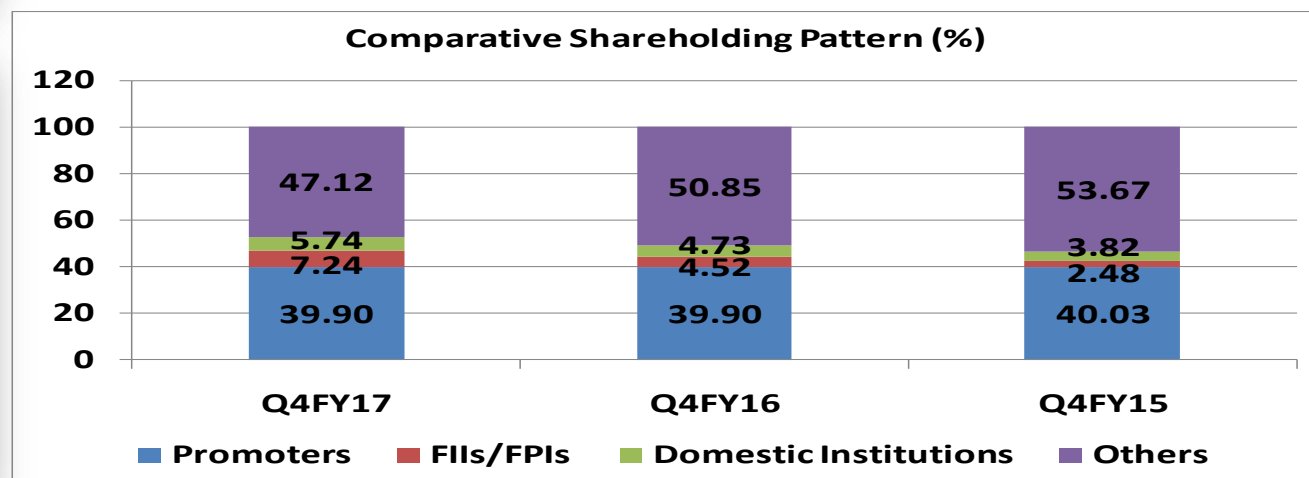
Particulars	CONSOLIDATED				
	Quarter Ended		Year Ended		
	31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1. Income from operations					
(a) Net Sales / Income from Operations (Net of excise duty)	67735.19	64935.19	61337.12	257292.43	232895.32
(b) Other Operating Income	2293.14	1771.52	1942.63	6996.49	5163.01
Total income from operations (a+b)	70028.33	66706.71	63279.75	264288.92	238058.33
2. Expenditure					
(a) Cost of materials consumed	37851.58	35350.79	36867.48	140346.09	141378.79
(b) Purchase of stock-in-trade	18757.95	16830.02	13581.92	63932.07	49296.66
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1690.16)	(384.01)	(886.11)	2002.02	(2808.46)
(d) Employees benefits expense	4021.82	4270.33	3865.59	16472.83	13999.11
(e) Depreciation and amortisation expense	975.32	958.91	897.25	3780.63	3451.21
(f) Other expenses	7699.74	6767.49	6071.96	27404.76	23111.92
Total expenditure (a+b+c+d+e+f)	67616.24	63793.54	60398.09	253938.42	228429.23
3. Profit / (Loss) from operations before other income, finance costs & exceptional items (1-2)	2412.09	2913.17	2881.66	10350.51	9629.10
4. Other Income	300.44	90.65	235.91	599.55	654.95
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	2712.53	3003.82	3117.56	10950.05	10284.05
6. Finance costs	368.63	244.42	381.06	1122.21	1549.27
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	2343.90	2759.39	2736.51	9827.84	8734.79
8. Exceptional Items	-	-	-	-	136.95
9. Profit / (Loss) from ordinary activities before tax (7-8)	2343.90	2759.39	2736.51	9827.84	8597.84
10. Tax expense					
Current Tax / MAT	686.47	646.50	878.50	2808.97	3086.50
Prior period tax	0.00	-	-	(107.43)	(18.06)
Deferred Tax Charge / (Credit)	188.25	122.25	53.50	444.33	(13.34)
11. Net Profit/ (Loss) from ordinary activities after tax (9 - 10)	1469.17	1990.64	1804.51	6681.98	5542.74
12. Extraordinary Items (net of tax expense)	-	-	-	-	-
13. Net Profit/(Loss) for the period before share of profit / (loss) of associates and minority interest (11-12)	1469.17	1990.64	1804.51	6681.98	5542.74
14. Net Profit/(Loss) before tax for the period from continuing operations	2417.27	2982.52	2756.63	11335.15	10761.69
15. Tax expense of continuing operations	882.27	864.52	1020.41	3162.34	3801.18
16. Net Profit/(Loss) after tax for the period from continuing operations (14-15)	1535.01	2117.99	1736.22	8172.81	6960.51
17. Net Profit/(Loss) before tax for the period from discontinuing operations	(73.37)	(223.12)	(20.13)	(1503.90)	(2163.85)
18. Tax expense of discontinuing operations	(7.54)	(95.77)	(88.41)	(16.48)	(746.09)
19. Net Profit/(Loss) after tax for the period from discontinuing operations (17-18)	(65.83)	(127.35)	68.28	(1487.42)	(1417.76)
20. Share of profit / (loss) of associates	(0.03)	(0.03)	(0.03)	(0.09)	(0.09)
21. Minority interest	-	-	(0.04)	-	(0.04)
22. Net Profit/ (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	1469.14	1990.61	1804.52	6681.89	5542.69
23. Paid-up equity share capital	2319.90	2319.90	2319.90	2319.90	2319.90
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00
24. Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting year	10.00	10.00	10.00	27747.61	21670.36
25. Earnings per share (Rs.)					
Continuing Operations:					
a) EPS for the period before extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	6.62	9.13	7.48	35.23	30.00
ii. Diluted	6.62	9.13	7.48	35.23	30.00
a) EPS for the period after extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	6.62	9.13	7.48	35.23	30.00
ii. Diluted	6.62	9.13	7.48	35.23	30.00
Discontinuing Operations:					
a) EPS for the period before extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	(0.28)	(0.55)	0.29	(6.41)	(6.11)
ii. Diluted	(0.28)	(0.55)	0.29	(6.41)	(6.11)
a) EPS for the period after extraordinary items, for the year to date and for the previous year (not annualized):					
i. Basic	(0.28)	(0.55)	0.29	(6.41)	(6.11)
ii. Diluted	(0.28)	(0.55)	0.29	(6.41)	(6.11)

Bring Home Health & Happiness

Q4FY17 Shareholding Pattern



As on March, 2017	shares held	% holding
Promoters	9,256,696	39.90
FPIs / FIIs	1,680,544	7.24
Domestic Institutions	1,331,047	5.74
Others	10,930,713	47.12
Total	23,199,000	100





Widest regional footprint in India among privately held dairy companies. Spread across 10 states:

Andhra Pradesh

Kerala

Odisha

Telangana

Maharashtra

Rajasthan

Karnataka

Gujarat

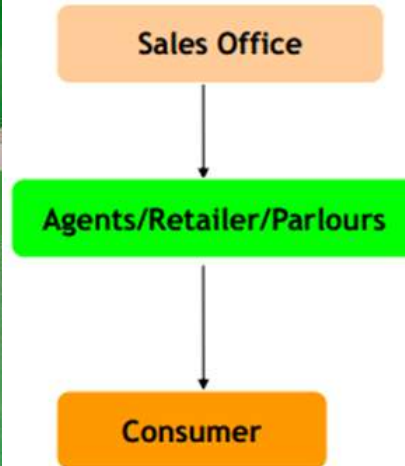
Haryana & Delhi

Tamil Nadu

Q4FY17 Distribution Network Structure



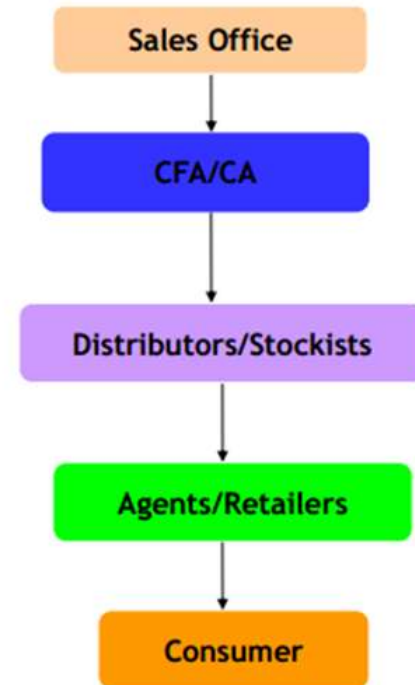
One Level 86.50 % sales



Two Level 8.75 % sales



Three Level 4.75 % sales



Range of Products



Bring Home Health & Happiness



Integration with Reliance Dairy, Set up JV



Integration with Reliance Dairy has begun



Set to improve milk procurement levels



Set to improve the distribution reach



Dairy Life, Dairy Pure brands to continue



Yogurt plant to come up near Mumbai

Retail Consolidation



Completed demerger of Retail undertaking to Future Retail



An all-stock deal at an estimated value of Rs.295 Cr.



Has bagged approval from various authorities

Our Vision



To double the contribution from VAP



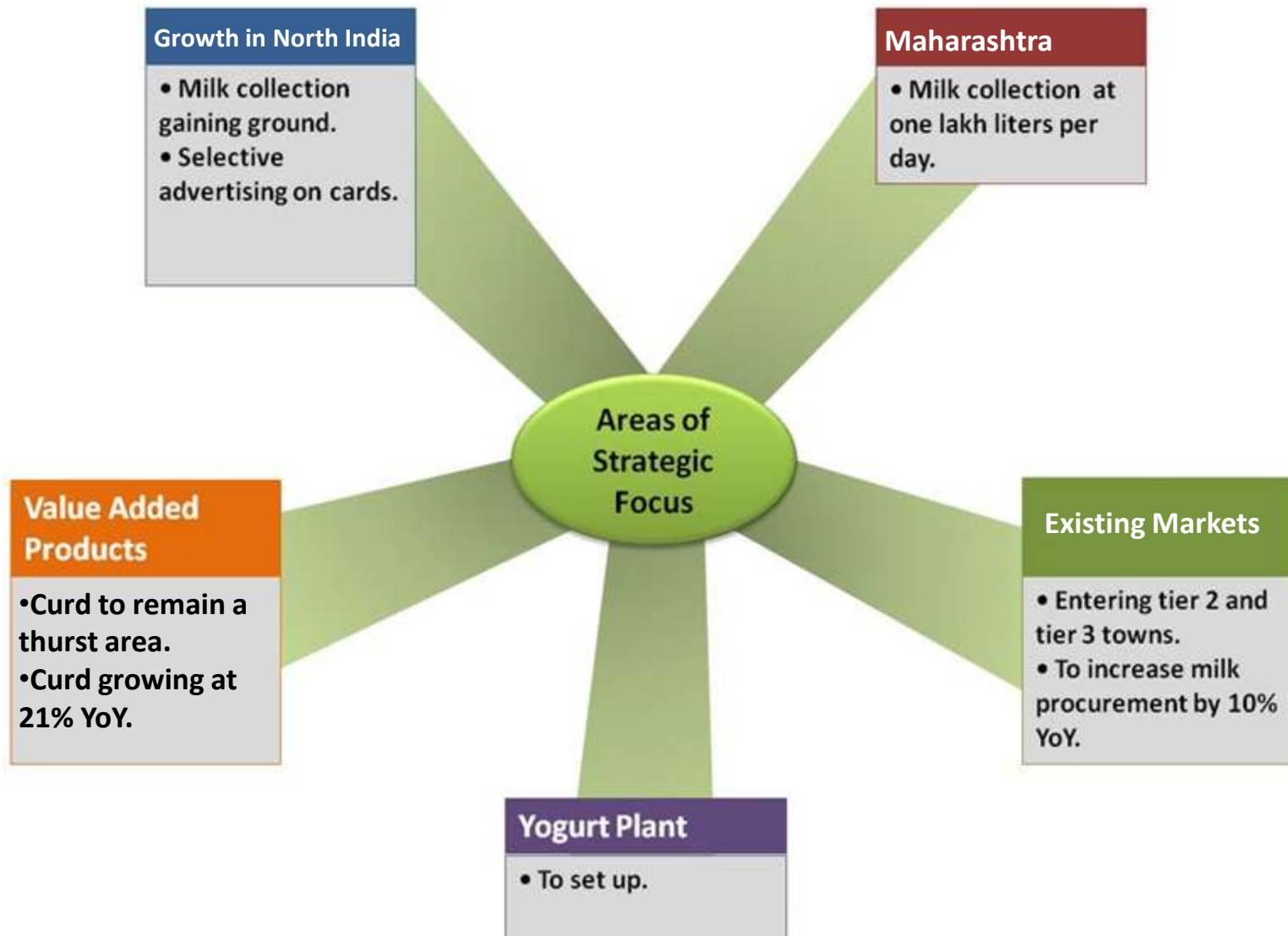
To add newer VAPs through JV



To emerge as Pan India player



To achieve a topline of Rs 6000 crore





Thank You