



# Quarterly Update Q3FY15

*Bring Home Health & Happiness*



*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 for Heritage Foods Limited

Heritage Foods Ltd. has engaged KPMG and finalized its Vision and Mission statement-2020. The Board of Directors have approved on 30 January, 2015.



**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 2020**

**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.**



## 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

# Heritage's Dairy division bags National Energy Conservation Award ...



**Heritage Foods Limited has bagged the *National Energy Conservation Award* in dairy sector for the year 2014.**

It was chosen for the coveted award by the Ministry of Power. Union Power Minister, Mr Piyush Goyal has presented the award at a function held in Delhi on December 14.

This is the fourth time that the energy conservation efforts of Heritage Foods are recognized by the Ministry. The Company had won same Awards earlier in 2008, 2010, and 2012.

The energy conservation methods adopted at the Company's Uppal dairy plant resulted in a substantial lowering of the power consumption and higher productivity for the energy consumed.

"Heritage Foods is committed to conserve energy in all its Plants by continuous up-gradation of Technology, Systems and Services to optimize and save energy and continue efforts to improve further with dedication and responsibility towards sustainable growth". Ms Nara Brahmani, Executive Director, Heritage Foods, stated.

With an investment of Rs 38 lakh on upgrading of technologies and innovations, the company achieved savings of Rs 84 lakh.

In a separate move, Heritage Foods had also commissioned a 2.34 MWP Solar Power Project Medak district near Hyderabad in September 2013 under REC mechanism to meet its captive energy requirement.



**Heritage Foods has bagged "Coca Cola Golden Spoon Award" 2015 for its Retail business division.**

The annual 'COCA COLA Golden spoon awards' are well-established and highly regarded within the industry as a mark of exceptional performance. This award has come within a short span of four months after having received the Most Admired Retailer in Food and Grocery category at India Retail Forum for the year 2014.

"It's a proud moment for all the members of Heritage Family that Heritage Fresh has been awarded the most prestigious 'COCA COLA Golden Spoon award' 2015 for being the IMAGES Most Admired Food & Grocery Retailer of the Year - Regional Chain' at India Food Forum on 15 Jan 2015," Ms. Nara Bhuvaneshwari, Chairperson, Heritage Foods, stated.

"These awards are recognition that our stores are improving constantly and are better than ever now. All thanks to the countless hours of hard work and dedication put in by our store staff who are now able to offer better customer service even to the most demanding customers. Our fill rates have improved, our range has widened, our promotions now deliver greater value and customers have responded by coming to our stores more often and buying more from our stores," she said.

Addressing the Retail Team members, Ms. Bhuvaneshwari said, "we now have to raise the bar even further and provide best service to every customer, all the time. Setting new performance benchmarks and shaping the industry opinion should now become a habit for all at Heritage Fresh."



- Total Turnover has improved on YoY by 20.54 % at Rs 5107.98 mn.
- Dairy Revenue is higher by 16.83 % at Rs 3860 mn.
- Dairy EBITDA is at Rs 198 mn.
- Value Added Products in Dairy surged forward by 31.38 % at Rs 628 mn.
- Retail Revenue is up by 25.99 % at Rs 1188 mn.
- Retail EBITDA has improved at Rs (15) mn as against Rs (49) mn in Q3 last year.
- On Agri front, EBITDA is at Rs 0.90 mn as against Rs (2.50) mn in Q3 last year.
- On Bakery front, EBITDA is at Rs 0.30 mn as against Rs (1.10) mn in Q3 last year.



## Q3FY15 Key metrics - Dairy



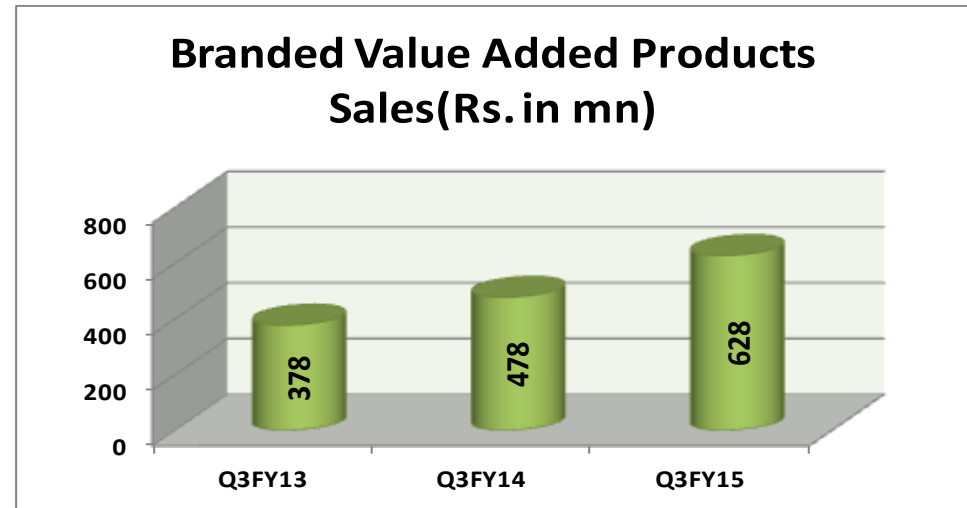
	<b>Q3FY15</b>	<b>Q3FY14</b>	<b>YOY %</b>
Liquid milk sales (llpd)	7.91	7.87	0.51
Liquid milk price real. (Rs/l)	37.68	32.77	14.98
Milk Procurement (llpd)	10.04	8.74	14.87
Milk procurement price (Rs/l)	32.91	27.44	19.93
Branded Value added Products sales (Rs mn)	628	478	31.38
No. of Parlours	1245	1222	1.88

llpd: lakh liters per day

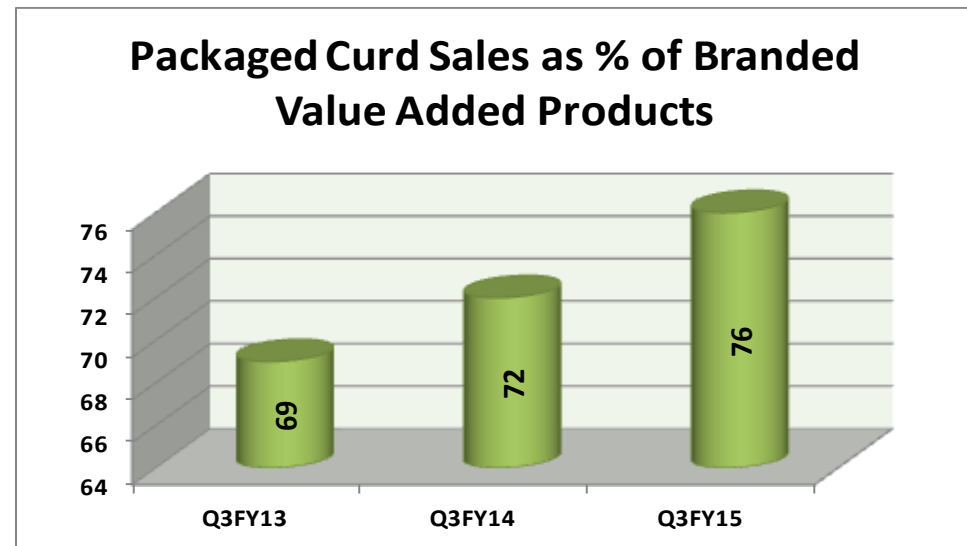
# Q3FY15 Key metrics - Dairy (Branded Value Added Products)



Branded Value Added Products	
Year	Sales(Rs. in mn)
Q3FY13	378
Q3FY14	478
Q3FY15	628



Packaged Curd Sales	
Year	As % of Branded Value Added Products
Q3FY13	69
Q3FY14	72
Q3FY15	76





- **16.83 % yoy growth in turnover to Rs 3860 mn**
  - ❖ **1 % yoy growth in Milk sales to 7.91 LLPD (lakh litres per day)**
- **31 % 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)**
- **15 % yoy growth in milk procurement to 10.04 LLPD (lakh litres per day)**
- **EBITDA of Rs 198 mn (EBITDA margin of 5.13 %) as against Rs 325 mn (EBITDA margin of 9.82 %) in Q3FY14**
- **Dairy Parlors as on 31.12.2014 are 1245 Nos.**
- **Export turnover during 3QFY15 of Rs 14.27mn**

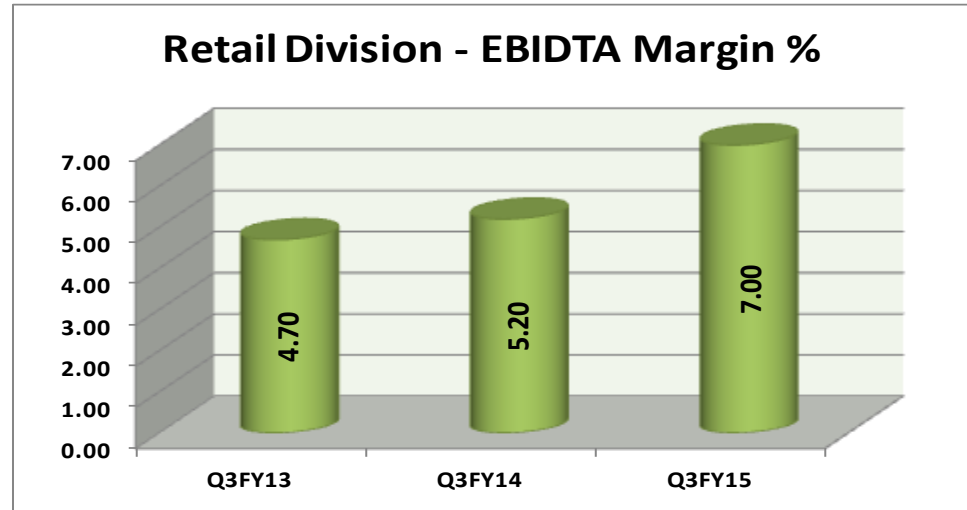
# Q3FY15 Key metrics - Retail



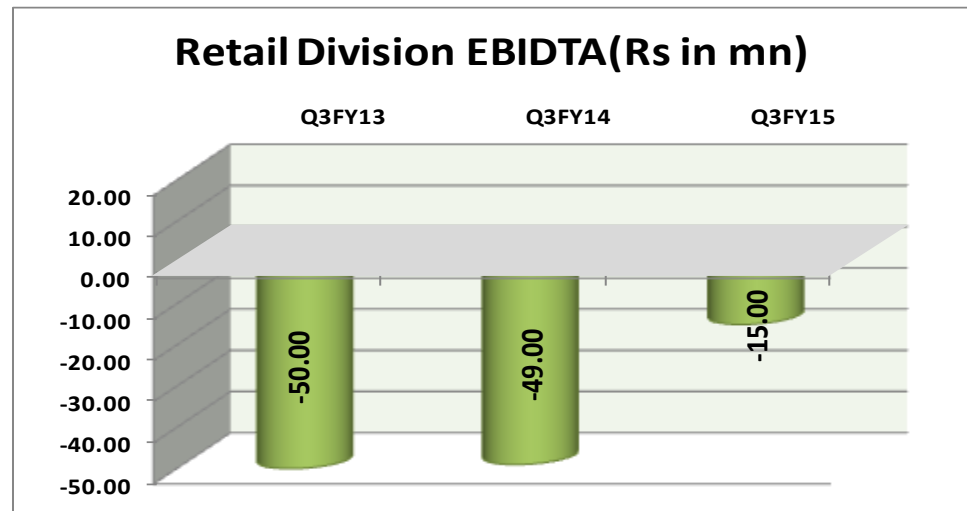
Particulars	Q3FY15	Q3FY14	YOY %
No. of stores	88	71	23.94
Total carpet area('000 sq ft)	327	228	43.42
Effective Carpet Area('000 sq ft)	313	224	39.73
<b>Avg store sales(Rs/ sq ft/month)</b>	<b>1135</b>	<b>1175</b>	<b>-3.51</b>
<b>Revenue Break-up:</b>			
Heritage Fresh Stores(Rs mn)	1066	790	25.92
Institutional, General Trade & Others(Rs mn)	43	45	-4.40
Other Operating Income(Rs mn)	79	45	43.40
<b>Total Revenue(Rs mn)</b>	<b>1188</b>	<b>879</b>	<b>25.99</b>
<b>Total Gross Profit(Rs mn)</b>	<b>239</b>	<b>172</b>	<b>27.95</b>
Gross margin(%)	20.11	19.60	2.64
Gross margin Heritage Fresh(%)	21.00	20.40	2.90
<b>EBITDA at store level(Rs mn)</b>	<b>83</b>	<b>46</b>	<b>44.82</b>
EBITDA margin(%)	7.00	5.20	25.44
Regional & Corporate Overheads(Rs mn)	98	95	2.86
Overheads/sft/month	104	141	-35.74
<b>EBITDA(Rs mn)</b>	<b>-15.00</b>	<b>-49.00</b>	<b>-229.36</b>



Retail Division	
Year	EBIDTA Margin%
Q3FY13	4.70
Q3FY14	5.20
Q3FY15	7.00



Retail Division	
Year	EBIDTA(Rs in mn)
Q3FY13	-50
Q3FY14	-49
Q3FY15	-15





- Same Store Growth (considering 62 comparable stores) stood at 3.37 % for Q3.
- Average Bill Value (ABV) increased by 1.94 % yoy to Rs 246 (Rs 241 in 3QFY14) on same store basis.
- No. of Bills (NOB) has grown by 1.40 % yoy to 3.05 mn (3.01 mn in 3QFY14) on same store basis.
- Store Gross margin increased by 61 bps to 21 % and overall gross margin increased by 53 bps.
- Store fixed cost decreased by Rs 22 /sq ft/month to Rs 154/sq ft/month (Rs 176 in 3QFY14).
- Regional & Corporate Overheads decreased by Rs 37/sq ft/month to Rs 104/sq ft/month compared to Rs 141/sq ft/month in Q3FY14
- Store opened : 9 new stores opened during the quarter.



- 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 Q3FY15 was Rs 6.48 mn.
- Capital Employed for Renewable Energy division Rs 161.71 mn.

# Q3FY15 Financial Results



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014 (₹ in Lakhs)														
PARTICULARS	STANDALONE						CONSOLIDATED							
	Quarter Ended			Nine Months Ended			Year Ended	Quarter Ended			Nine Months Ended			Year Ended
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14		
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
<b>1) Income from operations</b>														
Net Sales/Income from Operations	50260.90	50394.16	41910.42	150335.38	126442.00	169506.35	50260.90	50394.16	41910.42	150335.38	126442.00	169506.35		
Other Operating Income	818.92	844.08	466.15	2559.43	1987.02	2697.64	818.92	844.08	466.15	2559.43	1987.02	2697.64		
<b>Total income from operations</b>	<b>51079.82</b>	<b>51238.24</b>	<b>42376.57</b>	<b>152894.81</b>	<b>128429.02</b>	<b>172203.99</b>	<b>51079.82</b>	<b>51238.24</b>	<b>42376.57</b>	<b>152894.81</b>	<b>128429.02</b>	<b>172203.99</b>		
<b>2) Expenses</b>														
Cost of materials consumed	33984.38	31605.09	25479.24	97032.19	75164.80	103058.18	33984.38	31605.09	25479.24	97032.19	75164.80	103058.18		
Purchase of stock in trade	10289.55	10683.30	7448.44	31127.22	24069.66	32210.89	10289.55	10683.30	7448.44	31127.22	24069.66	32210.89		
Changes in inventories of finished goods, work-in-progress and stock in trade	-2656.27	-213.41	-410.13	-3141.30	8.44	-888.39	-2656.27	-213.41	-410.13	-3141.30	8.44	-888.39		
Employees benefit expense	2764.34	2650.04	2716.61	8129.97	7816.49	10009.46	2764.34	2650.04	2716.61	8129.97	7816.49	10009.46		
Depreciation and Amortisation expense	863.52	835.89	691.47	2516.44	1854.75	2500.23	863.52	835.89	691.47	2516.44	1854.75	2500.23		
Other expenses	4861.29	4783.33	4459.09	14352.29	13724.43	18315.72	4861.29	4783.33	4459.09	14352.29	13724.43	18315.72		
<b>Total Expenses</b>	<b>50106.81</b>	<b>50344.24</b>	<b>40384.72</b>	<b>150016.81</b>	<b>122638.56</b>	<b>165206.08</b>	<b>50107.27</b>	<b>50344.24</b>	<b>40384.72</b>	<b>150017.27</b>	<b>122638.56</b>	<b>165206.58</b>		
<b>3) Profit / (Loss) from operations before other income, finance costs &amp; exceptional items(1-2)</b>	<b>973.01</b>	<b>894.00</b>	<b>1991.85</b>	<b>2878.00</b>	<b>5790.46</b>	<b>6997.91</b>	<b>972.55</b>	<b>894.00</b>	<b>1991.85</b>	<b>2877.54</b>	<b>5790.46</b>	<b>6997.42</b>		
4) Other income	74.74	81.33	71.22	236.70	289.77	495.40	74.74	81.33	71.22	236.70	289.77	495.40		
<b>5) Profit/(Loss) from ordinary activities before finance cost and exceptional items (3+4)</b>	<b>1047.75</b>	<b>975.33</b>	<b>2063.07</b>	<b>3114.70</b>	<b>6080.23</b>	<b>7493.31</b>	<b>1047.29</b>	<b>975.33</b>	<b>2063.07</b>	<b>3114.24</b>	<b>6080.23</b>	<b>7492.81</b>		
6) Finance cost	347.29	375.70	296.55	1152.94	953.70	1322.11	347.29	375.70	296.55	1152.94	953.70	1322.11		
<b>7) Profit/(Loss) from ordinary activities after finance cost and before exceptional items (5+6)</b>	<b>700.46</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.76</b>	<b>5126.53</b>	<b>6171.20</b>	<b>700.00</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.30</b>	<b>5126.53</b>	<b>6170.70</b>		
8) Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-		
<b>9) Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>700.46</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.76</b>	<b>5126.53</b>	<b>6171.20</b>	<b>700.00</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.30</b>	<b>5126.53</b>	<b>6170.70</b>		
10) Tax expense														
Current Tax/MAT	201.36	156.00	369.00	565.36	1083.15	1303.55	201.36	156.00	369.00	565.36	1083.15	1303.55		
Prior period tax	-	-0.47	0.00	-0.45	0.46	-0.46	-	-0.47	0.00	-0.45	-0.46	-0.46		
Deferred Tax Charge/(Credit)	-49.10	-39.43	42.55	-164.62	167.44	299.38	-49.10	-39.43	42.55	-164.62	167.44	299.38		
<b>11) Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>548.20</b>	<b>483.53</b>	<b>1354.97</b>	<b>1561.47</b>	<b>3876.40</b>	<b>4568.73</b>	<b>547.73</b>	<b>483.53</b>	<b>1354.98</b>	<b>1561.01</b>	<b>3876.40</b>	<b>4568.23</b>		
12) Extraordinary Items	0.00	-	-	0.00	37.50	37.50	0.00	-	-	0.00	37.50	37.50		
<b>13) Net Profit/(Loss) (11-12)</b>	<b>548.20</b>	<b>483.53</b>	<b>1354.97</b>	<b>1561.47</b>	<b>3838.90</b>	<b>4531.23</b>	<b>547.73</b>	<b>483.53</b>	<b>1354.98</b>	<b>1561.01</b>	<b>3838.90</b>	<b>4530.73</b>		
14) Share of profit / (loss) of associates	-	-	-	-	-	-	-0.13	-0.09	-0.01	-0.24	-0.74	-0.79		
15) Minority interest	-	-	-	-	-	-	0.06	0.00	0.00	0.06	0.00	-0.05		
<b>16) Net Profit/ (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14-15)</b>	<b>548.20</b>	<b>483.53</b>	<b>1354.97</b>	<b>1561.47</b>	<b>3838.90</b>	<b>4531.23</b>	<b>547.55</b>	<b>483.44</b>	<b>1354.97</b>	<b>1560.71</b>	<b>3838.16</b>	<b>4529.99</b>		
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 (₹)	2.36	2.08	5.84	6.73	16.71	19.69	2.36	2.08	5.84	6.73	16.71	19.69		
Diluted (₹)	2.36	2.08	5.84	6.73	16.71	19.69	2.36	2.08	5.84	6.73	16.71	19.69		
Earning Per Share After Extra Ordinary Items														
Basic (₹)	2.36	2.08	5.84	6.73	16.55	19.53	2.36	2.08	5.84	6.73	16.54	19.53		
Diluted (₹)	2.36	2.08	5.84	6.73	16.55	19.53	2.36	2.08	5.84	6.73	16.54	19.53		
Public Share Holding														
Number of shares	13,971,154	13913154	13913454	13971154	13913454	13913154	13971154	13913154	13913454	13971154	13913454	13913154		
Percentage of Public shareholding	60.22	59.97	59.97	39.78	59.97	59.97	60.22	59.97	59.97	60.22	59.97	59.97		



# Q3FY15 Financial Results - Segmental



SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014 (₹ in Lakhs)	STANDALONE						CONSOLIDATED					
	Quarter Ended			Nine Months Ended		Year Ended	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>												
a. Dairy	38604.01	38314.31	33042.02	115182.90	99457.72	132819.16	38604.01	38314.31	33042.02	115182.90	99457.72	132819.16
b. Retail	11883.10	12272.74	8786.46	35924.50	27842.37	37792.56	11883.10	12272.74	8786.46	35924.50	27842.37	37792.56
c. Agri	2119.53	2135.19	1823.11	6378.19	5070.12	6783.33	2119.53	2135.19	1823.11	6378.19	5070.12	6783.33
d. Bakery	161.12	139.36	90.51	409.31	260.98	366.27	161.12	139.36	90.51	409.31	260.98	366.27
e. Renewable Energy	64.80	54.35	23.11	178.90	23.11	77.35	64.80	54.35	23.11	178.90	23.11	77.35
f. HFRL	-	-	-	-	-	-	-	-	-	-	-	-
g. Heritage Conpro Ltd	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Segment Revenue</b>	<b>52832.57</b>	<b>52915.96</b>	<b>43765.22</b>	<b>158073.80</b>	<b>132654.30</b>	<b>177838.67</b>	<b>52832.57</b>	<b>52915.96</b>	<b>43765.22</b>	<b>158073.80</b>	<b>132654.30</b>	<b>177838.67</b>
Less: Inter Segment Revenue	1752.75	1677.72	1388.65	5178.99	4225.28	5634.67	1752.75	1677.72	1388.65	5178.99	4225.28	5634.67
<b>Net Sales / Income from Operations</b>	<b>51079.82</b>	<b>51238.24</b>	<b>42376.57</b>	<b>152894.81</b>	<b>128429.02</b>	<b>172203.99</b>	<b>51079.82</b>	<b>51238.24</b>	<b>42376.57</b>	<b>152894.81</b>	<b>128429.02</b>	<b>172203.99</b>
<b>2. Segment Results</b>												
(Profit (+) / (Loss) (-) before finance costs and tax)												
a. Dairy	1459.29	1399.43	2845.87	4410.64	8057.66	9869.18	1459.29	1399.43	2845.87	4410.64	8057.66	9869.18
b. Retail	-370.68	-374.92	-678.65	-1187.58	-1686.54	-1992.16	-370.68	-374.92	-678.65	-1187.58	-1686.54	-1992.16
c. Agri	-49.15	-28.77	-75.18	-90.29	-214.68	-298.70	-49.15	-28.77	-75.18	-90.29	-214.68	-298.70
d. Bakery	-16.02	-27.92	-24.71	-72.76	-84.92	-102.13	-16.02	-27.92	-24.71	-72.76	-84.92	-102.13
e. Renewable Energy	20.22	3.27	-8.94	41.34	-10.38	-11.54	20.22	3.27	-8.94	41.34	-10.38	-11.54
f. HFRL	-	-	-	-	-	-	-0.24	-	0.00	-0.24	0.00	-0.28
g. Heritage Conpro Ltd	-	-	-	-	-	-	-0.23	-	0.00	-0.23	0.00	-0.22
<b>Total Segment Results</b>	<b>1043.67</b>	<b>971.08</b>	<b>2058.39</b>	<b>3101.34</b>	<b>6061.15</b>	<b>7464.64</b>	<b>1043.20</b>	<b>971.08</b>	<b>2058.39</b>	<b>3100.87</b>	<b>6061.15</b>	<b>7464.14</b>
Less: i. Finance costs	347.29	375.70	296.55	1152.94	953.70	1322.11	347.29	375.70	296.55	1152.94	953.70	1322.11
ii. Other un-allocable Expenditure net off	0.00	-	-	0.00	-	15.17	0.00	-	-	0.00	-	15.17
<b>Add: i. Interest Income</b>	<b>4.09</b>	<b>4.21</b>	<b>4.68</b>	<b>13.33</b>	<b>18.98</b>	<b>43.70</b>	<b>4.09</b>	<b>4.21</b>	<b>4.68</b>	<b>13.33</b>	<b>18.98</b>	<b>43.70</b>
ii. Other un-allocable Income	0.00	0.04	-	0.04	0.09	0.14	0.00	0.04	-	0.04	0.09	0.14
<b>Total Profit before Tax</b>	<b>700.46</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.76</b>	<b>5126.53</b>	<b>6171.20</b>	<b>700.00</b>	<b>599.63</b>	<b>1766.52</b>	<b>1961.30</b>	<b>5126.53</b>	<b>6170.70</b>
<b>3. Capital Employed</b>												
<b>Segment Assets -Segment Liabilities)</b>												
a. Dairy	15127.37	15112.09	13159.03	15127.37	13159.03	17611.21	15127.37	15112.09	13159.03	15127.37	13159.03	17611.21
b. Retail	7925.69	7406.67	6310.48	7925.69	6310.48	6460.95	7925.69	7406.67	6310.48	7925.69	6310.48	6460.95
c. Agri	3291.48	3304.30	3558.28	3291.48	3558.28	3368.09	3291.48	3304.30	3558.28	3291.48	3558.28	3368.09
d. Bakery	1067.36	1083.13	1135.75	1067.36	1135.75	1119.33	1067.36	1083.13	1135.75	1067.36	1135.75	1119.33
e. Renewable Energy	1617.15	1626.82	1626.35	1617.15	1626.35	1675.05	1617.15	1626.82	1626.35	1617.15	1626.35	1675.05
f. HFRL	-	-	-	-	-	-	-0.08	-0.13	-0.12	-0.08	-0.12	-0.39
g. Heritage Conpro Ltd	-	-	-	-	-	-	-0.02	-0.13	-0.17	-0.02	-0.17	-0.39
h. Unallocated	16.72	79.52	291.93	16.72	291.93	143.85	16.72	79.52	291.93	16.72	291.93	143.85
<b>Total</b>	<b>29045.78</b>	<b>28612.53</b>	<b>26081.82</b>	<b>29045.78</b>	<b>26081.82</b>	<b>30378.50</b>	<b>29045.67</b>	<b>28612.26</b>	<b>26081.53</b>	<b>29045.67</b>	<b>26081.53</b>	<b>30377.71</b>



## As on December, 2014

	mn shares	% holding
Promoters	9.23	39.78
FII's	0.52	2.25
Domestic Institutions	0.72	3.12
Others	12.72	54.85
<b>Total</b>	<b>23.19</b>	<b>100</b>

# Q3FY15 Dairy - Spread of Operations



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

- Andhra Pradesh      -Telangana
- Tamil Nadu            -Karnataka
- Maharashtra         -Kerala
- Odisha                 -Haryana
- Rajasthan             -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	TamilNadu	Karnatakata	Maharastra	Kerala	Odisha	Haryana	Rajasthan	Delhi	Total
Procurement of Milk LPD	521,366	120,125	164,399	19,117	158,236	0	0	0	21,476	0	1,004,720
No. of Chilling Plants	72	43	12	0	6	0	0	0	2	0	135
Chilling Capacity LPD as on 31.12.2014	1,031,000	135,000	253,000	50,000	90,000	0	0	0	20,000	0	1,579,000
No. of processing and Packing Plants	7	3	1	1	1	0	0	1	0	0	14
Processing Capacity LPD as on 31.12.2014	740,000	390,000	50,000	150,000	50,000	0	0	75,000	0	0	1,455,000
Liquid Milk Sales LPD	170,957	275,859	172,937	106,206	42,774	11,083	6,987	0	0	3,991	790,794
Curd Kgs/ Day	52,808	22,837	19,605	14,152	105	678	1,790	0	0	0	111,975
Ice Cream LPD	1,186	2,266	625	427	529	0	198	0	0	0	5,231

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

# Q3FY15 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



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# Range of Products



## Buffalo Ghee



## Cow Ghee



## Paneer



## Dairy Whitener



## Skim Milk Powder



## Ice Cream/Frozen Desert

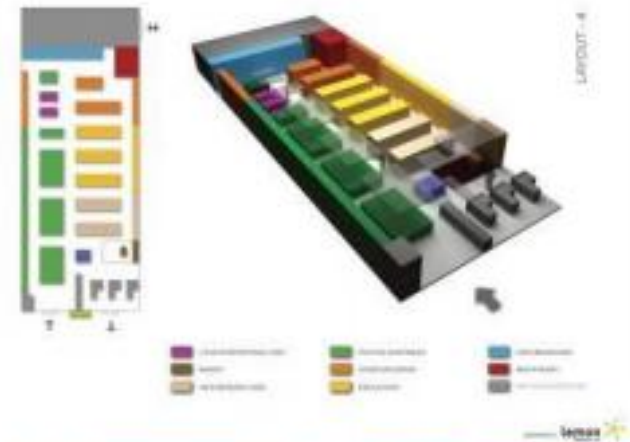


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# Business Profile - Retail Division



- 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 floor 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



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S.No	Division	Employee Strength
1	Dairy	1936
2	Retail	2360
3	Agri	79
4	Bakery	35
<b>Grand Total</b>		<b>4410</b>



**Thank You**

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