



HERITAGE FOODS LIMITED

(Formerly known as HERITAGE FOODS (INDIA) LIMITED)

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STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

(Rs. In lakhs)

Particulars	CONSOLIDATED				STANDALONE			
	Quarter Ended		Year Ended		Quarter Ended		Year Ended	
	30.06.2017 (Unaudited)	31.03.2017 (Unaudited)	30.06.2016 (Unaudited)	31.03.2017 (Unaudited)	30.06.2017 (Unaudited)	31.03.2017 (Unaudited)	30.06.2016 (Unaudited)	31.03.2017 (Unaudited)
1. REVENUE :								
a. Revenue from operations	61677.72	48199.49	45927.86	185699.12	60937.15	47719.96	45270.31	183383.94
b. Revenue on transaction with discontinued operations		1127.36	819.19	3759.63		1127.36	819.19	3759.63
c. Other income	149.72	179.23	92.55	416.40	137.15	165.90	80.07	360.68
Total Revenue	61827.43	49506.08	46839.60	189875.15	61074.30	49013.22	46169.57	187504.25
2. EXPENSES :								
a. Cost of material consumed	45577.84	36573.36	31951.21	135127.29	44728.68	36505.00	31948.59	135056.02
b. Purchases on transaction with discontinued operations		149.85	107.46	468.09		1051.79	825.44	3913.54
c. Purchases of stock in trade	6433.10	3571.56	1461.09	8141.71	6805.44	2330.84	233.09	3053.10
d. Changes in inventories of finished goods, stock-in-trade and work in progress	(2006.79)	(1380.62)	2542.46	3302.35	(1915.76)	(1348.23)	2544.53	3342.25
e. Power and fuel	743.65	589.30	703.10	2611.32	712.59	585.49	703.10	2607.51
f. Excise duty on sale of goods	33.26	22.54	33.13	87.23	33.26	22.54	33.13	87.23
g. Employee benefits expenses	3153.83	2534.47	2415.51	9973.26	3058.47	2490.46	2370.33	9791.22
h. Finance costs	395.56	372.19	201.45	970.50	380.39	370.41	198.75	963.24
i. Depreciation and amortization expenses	871.32	648.82	586.70	2497.16	851.84	644.38	584.93	2487.07
j. Other expenses	5053.92	4395.38	3504.68	15182.37	5113.89	4002.04	3475.44	14697.86
Total expenses	60255.69	47476.85	43506.78	178361.27	59768.79	46654.73	42917.33	175999.02
3. Profit/(loss) before share of profit/ (loss) of an associate and exceptional items	1571.74	2029.23	3332.82	11513.87	1305.51	2358.50	3252.24	11505.23
4. Share of profit/ (loss) of an associate	0.00	(0.03)	(0.01)	(0.09)	-	-	-	-
5. Profit/(loss) before tax and exceptional items from continuing operations (3-4)	1571.74	2029.20	3332.81	11513.79	1305.51	2358.50	3252.24	11505.23
6. Exceptional Items	-	-	-	-	-	-	-	-
7. Profit before tax from continuing operations (5-6)	1571.74	2029.20	3332.81	11513.79	1305.51	2358.50	3252.24	11505.23
8. Tax expense:								
a. Current Tax	484.00	686.47	940.00	2808.97	480.00	585.00	940.00	2707.50
b. Prior period tax	-	0.00	0.11	(107.43)	-	0.00	0.11	(107.43)
c. Deferred Tax	54.05	293.13	(36.15)	544.02	61.03	391.13	(36.15)	473.66
9. Profit/ (Loss) for the period from continuing operations (7-8)	1033.69	1049.61	2428.85	8268.23	764.48	1382.36	2348.28	8431.50
10. Discontinued operations :								
a. Profit/(loss) before tax for the period from discontinued operations	3.62	367.41	(769.93)	(1416.26)	-	(98.04)	(750.78)	(1772.30)
b. Tax (Income)/ expense of discontinued operations	-	(100.57)	(51.88)	(98.83)	-	(185.93)	(51.88)	(17.57)
Profit/ (loss) for the period after tax from discontinued operations (a-b)	3.62	467.98	(718.05)	(1,317.43)	-	87.89	(698.90)	(1,754.74)
11. Profit/ (loss) for the period (9+10)	1037.32	1517.59	1710.80	6950.80	764.48	1470.25	1649.38	6676.76
12. Other Comprehensive Income :								
A Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
B Items that will not be reclassified to profit or loss								
Re-measurement gains (losses) on defined benefit plans	-	0.98	-	0.98	-	7.17	-	7.17
Income tax effect	-	(0.34)	-	(0.34)	-	(2.48)	-	(2.48)
Net (loss)/gain on FVTOCI equity securities	5459.07	29,055.97	0.16	29056.10	5459.07	29055.97	0.16	29056.10
Income tax effect	-	-	-	-	-	-	-	-
Total (B)	5,459.07	29,056.61	0.16	29,056.74	5,459.07	29,060.66	0.16	29,060.79
13. Total Comprehensive Income for the period (11+12)	6496.38	30574.20	1710.95	36007.55	6223.55	30530.91	1649.54	35737.55
(Comprising Profit (Loss) and Other Comprehensive Income for the period)								
14. Profit for the period from continuing operation attributable to:								
Equity holders of the parent	1020.07	1030.65	2388.87	8084.31				
Non-controlling interests	13.62	18.96	39.98	183.92				
15. Profit for the period from discontinued operation attributable to:								
Equity holders of the parent	0.00	446.63	(739.51)	(1401.36)				
Non-controlling interests	3.62	21.35	21.46	83.93				
16. Total Profit for the period attributable to :								
Equity holders of the parent	1020.08	1477.28	1649.36	6682.95				
Non-controlling interests	17.24	40.31	61.44	267.85				
Equity holders of the parent	5459.07	29056.61	0.16	29056.74				
Non-controlling interests	-	-	-	-				
18. Total comprehensive income for the period attributable to:								
Equity holders of the parent	6479.14	30533.89	1649.51	35739.70				
Non-controlling interests	17.24	40.31	61.44	267.85				
19. Paid up Equity Share Capital (face value of Rs.10/-each)	2319.90	2319.90	2319.90	2319.90	2319.90	2319.90	2319.90	2319.90
20. Earnings per equity share of Rs.10/- each for continuing operations								
(1) Basic	4.40	4.44	10.30	34.85	3.30	5.96	10.12	36.34
(2) Diluted	4.40	4.44	10.30	34.85	3.30	5.96	10.12	36.34
21. Earnings per equity share of Rs.10/- each for discontinued operations								
(1) Basic	0.00	1.93	(3.19)	(6.04)	0.00	0.38	(3.01)	(7.56)
(2) Diluted	0.00	1.93	(3.19)	(6.04)	0.00	0.38	(3.01)	(7.56)
22. Earnings per equity share for discontinued and continuing operations								
(1) Basic	4.40	6.37	7.11	28.81	3.30	6.34	7.11	28.78
(2) Diluted	4.40	6.37	7.11	28.81	3.30	6.34	7.11	28.78



SEGMENT REPORTING FOR THE QUARTER ENDED JUNE 30, 2017

(Rs. In lakhs)

Particulars	CONSOLIDATED				STANDALONE			
	Quarter Ended		Year Ended		Quarter Ended		Year Ended	
	30.06.2017 (Unaudited)	31.03.2017 (Unaudited)	30.06.2016 (Unaudited)	31.03.2017 (Unaudited)	30.06.2017 (Unaudited)	31.03.2017 (Unaudited)	30.06.2016 (Unaudited)	31.03.2017 (Unaudited)
1. Segment Revenue								
a. Dairy	60924.65	48817.34	46077.03	187071.71	60924.65	48817.34	46077.03	187071.71
b. Renewable Energy	176.63	174.45	111.45	521.30	176.63	174.45	111.45	521.30
c. Vetca	1657.17	1424.66	1,335.58	5653.20	-	-	-	-
d. Others	87.18	94.48	79.91	361.33	-	-	-	-
Total	62845.62	50510.93	47603.96	193607.53	61101.28	48991.79	46188.48	187593.00
Less: Inter Segment / Inter company Revenue	1167.91	1184.08	856.91	4148.78	164.12	144.47	98.98	449.43
Income from Operations	61677.72	49326.85	46747.05	189458.75	60937.15	48847.32	46089.49	187143.57
2. Segment Results (Profit (+) / (Loss) (-) before finance costs and tax)								
a. Dairy	1584.88	2634.74	3391.10	12162.13	1584.88	2634.74	3391.10	12162.13
b. Renewable Energy	94.14	80.65	52.64	250.24	94.14	80.65	52.64	250.24
c. Vetca	9.97	(356.74)	24.53	(162.18)	-	-	-	-
d. Others	258.93	18.99	39.98	184.04	-	-	-	-
Total	1947.92	2377.63	3508.25	12434.23	1679.01	2715.39	3443.74	12412.37
Less: i. Finance costs	395.56	366.80	201.45	976.79	380.39	360.58	198.75	963.24
ii. Other un-allocable expenses net off	-	-	-	-	-	(1.99)	(3.29)	(26.57)
Add: i. Interest income	19.39	18.37	4.30	32.97	6.88	1.71	3.96	25.52
ii. Other un-allocable income	-	-	21.72	23.38	-	-	-	4.00
Total Profit before Tax	1571.74	2029.21	3332.81	11513.79	1305.51	2358.49	3252.24	11505.22
	0.00	-	-	-	-	-	-	(0.00)
3. Segment Assets:								
a. Dairy	47743.51	43401.54	35123.54	43401.54	47743.51	43401.54	35123.54	43401.54
b. Renewable Energy	5649.35	5376.27	2892.72	5376.27	5649.35	5376.27	2892.72	5376.27
c. Vetca	3181.92	2982.99	933.84	2982.99	-	-	-	-
d. Others	876.53	862.87	719.42	862.87	-	-	-	-
e. Unallocated	49347.27	44154.04	19334.45	44154.04	50122.99	44413.10	18288.66	44413.10
Total	106798.59	96777.70	59003.98	96777.70	103515.86	93190.90	56304.92	93190.90
4. Segment Liabilities:								
a. Dairy	17537.77	15021.06	10914.77	15021.06	17537.77	15021.06	10914.77	15021.06
b. Renewable Energy	114.26	635.90	14.00	635.90	114.26	635.90	14.00	635.90
c. Vetca	1000.07	1389.28	361.39	1389.28	-	-	-	-
d. Others	6.04	5.12	6.52	5.12	-	-	-	-
e. Unallocated	789.03	844.45	868.02	844.45	868.48	754.93	6463.84	754.93
Total	19447.16	17895.83	19982.69	17895.83	18520.51	16411.90	17392.60	16411.90

Notes:

1. The Company adopted Indian Accounting Standards ("Ind AS") from 1st April 2017 and accordingly the results for the current quarter and previous quarters/ years have been prepared in accordance with recognition and measurement principles laid down in the Ind AS-34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting pronouncements generally accepted in India.

2. Reconciliation of total comprehensive income

Particulars	(Rs. In lakhs)					
	Consolidated			Standalone		
	Quarter ended 30-Jun-16	Quarter ended 31-Mar-17	Year ended 31-Mar-17	Quarter ended 30-Jun-16	Quarter ended 31-Mar-17	Year ended 31-Mar-17
Profit after tax as per previous GAAP (A)	1652.32	1469.14	6681.89	1652.33	1466.17	6682.46
Profit after tax of trusts which were not consolidated under IGAAP* (B)	61.43	40.32	267.86	-	-	-
Adjustments						
Provision for expected credit loss - trade receivables	0.85	6.44	7.08	0.85	6.44	7.08
Transaction cost on borrowings	-5.35	6.97	-8.63	-5.35	6.97	-8.63
Other adjustments	-	-	2.71	-	-	2.71
Tax effect of above	1.56	-4.30	0.88	1.56	-2.16	3.02
Total adjustments (C)	-2.94	9.11	2.03	-2.94	4.08	-5.71
Profit after tax as per Ind AS (A+B+C)	1710.81	1518.57	6951.78	1649.39	1470.25	6676.76
Other comprehensive income (post tax) (D)	0.16	29056.60	29056.74	0.16	29060.66	29060.79
Total comprehensive income as per Ind AS (C+D)	1710.97	30575.17	36008.52	1649.55	30530.91	35737.55

* Heritage Farmers Welfare Trust and Heritage Employee Welfare Trust were not required to be consolidated under IGAAP. As per Ind AS 110- Consolidated Financial Statements requirement, both the trusts are consolidated.

3. Reconciliation of total equity as at 31st March 2017

Particulars	Consolidated	Standalone
Total Equity (shareholder's fund) as per previous GAAP (A)	30067.51	30345.15
Non controlling interest of Trusts which were not consolidated under IGAAP* (B)	1064.00	-
Adjustments		
Fair valuation of FVTOCI investments	29063.73	29063.73
Provision for expected credit loss - trade receivables	-0.47	-0.47
Transaction cost on borrowings	-69.37	-69.37
Other Adjustment	-47.06	-47.06
Tax effect of above adjustments	30.35	30.35
Total adjustments (C)	28977.18	28977.18
Total equity as per Ind AS (A+B+C)	60108.69	59322.33

* Heritage Farmers Welfare Trust and Heritage Employee Welfare Trust were not required to be consolidated under IGAAP. As per Ind AS 110- Consolidated Financial Statements requirement, both the trusts are consolidated.

4. FVTOCI - Financial Assets :

Under Indian GAAP, the Company has accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI (Fair Value Through Other Comprehensive Income) investments. Ind AS requires FVTOCI investments to be measured at fair value. Consequently, as at 01.04.2017, an amount of Rs. 29060.79 lakhs being difference between the fair value of FVTOCI investment and previous GAAP carrying amount has been recognised as a separate component of equity in the FVTOCI reserve, net of related taxes.

5. Pursuant to Composite Scheme of Arrangement, Future Retail Limited allotted 1,78,47,420 equity shares of Rs.2/- each on 27th July 2017 and this investment is considered for Fair valuation through FVTOCI as required under Indian Accounting Standards.

6. During the quarter the Company has acquired Dairy Business of Reliance Retail Limited on a slump sale basis.

7. As per Ind-AS 108, the Company has identified Dairy, Renewable Energy and VetCa as reportable segments.

8. The Statutory Auditors have conducted a limited review of accounts for the aforesaid period.

9. The above results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on August 10, 2017

10. Figures of previous period(s)/ year(s) have been regrouped/rearranged wherever necessary.

11. Figures of previous period/year does not include figures of Retail, Agri, Bakery and VetCa in the standalone Financial Statements as they have been considered as discontinued operations. And, figures of previous period/year does not include figures of Retail, Agri and Bakery in the consolidated Financial Statements as they have been considered as discontinued operations.

For and on behalf of the Board

Sd/-

N Bhuvaneshwari
Vice Chairperson & Managing Director
DIN -00003741

Date: August 10, 2017
Place: Hyderabad