



HERITAGE FOODS LIMITED

Registered Office: 6-3-541/C, Adjacent to NIMS, Punjagutta, Hyderabad - 500 082

CIN: L15209TG1992PLC014332, website: www.heritagefoods.in, Tel.No: 040-23391221/23391222 Fax: 30685458, email: hfl@heritagefoods.in

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	Revenue						
	a. Revenue from operations	66,160.11	66,559.10	61,004.19	2,03,802.45	1,85,712.94	2,48,234.93
	b. Other income	125.39	306.79	185.29	664.87	540.74	1,109.60
	c. Fair value gain on fair value through profit or loss (FVTPL) equity securities	-	-	5,311.32	-	-	-
	d. Gain due to changes in fair value of derivative liabilities	5,402.69	14,006.63	-	15,774.78	6,451.70	13,109.85
	Total income	71,688.19	80,872.52	66,500.80	2,20,242.10	1,92,705.38	2,62,454.38
2	Expenses						
	a. Cost of materials consumed	53,329.48	53,145.80	47,732.52	1,60,558.67	1,36,800.54	1,84,087.30
	b. Purchases of stock-in-trade	1,366.36	1,537.43	1,341.14	4,795.64	5,105.75	8,440.19
	c. Changes in inventories of finished goods, semi finished goods, stock-in-trade and work-in-progress	(657.71)	703.84	(794.99)	1,193.26	4,848.00	3,391.35
	d. Employee benefits expenses	3,810.08	3,731.95	3,520.29	11,471.84	10,501.58	13,685.21
	e. Finance costs	494.22	475.60	479.79	1,483.22	1,471.17	2,068.64
	f. Depreciation and amortization expense	1,229.77	1,242.37	1,116.47	3,679.68	3,262.47	4,371.04
	g. Impairment losses	-	6.01	-	6.01	15.95	365.95
	h. Other expenses	4,804.57	4,987.09	4,789.30	15,007.12	14,861.30	20,066.03
	i. Loss due to changes in fair value of derivative liabilities	-	-	5,311.32	-	-	-
	j. Fair value loss on FVTPL equity securities	5,402.69	14,006.63	-	15,774.78	6,451.70	13,109.85
	Total expenses	69,779.46	79,836.72	63,495.84	2,13,970.22	1,83,318.46	2,49,585.56
3	Profit before tax	1,908.73	1,035.80	3,004.96	6,271.88	9,386.92	12,868.82
4	Tax expense						
	a. Current tax/(benefit)	474.00	(67.95)	1,009.00	1,548.05	3,173.00	4,228.00
	b. Deferred tax expense/(benefit), net	(22.36)	(300.37)	38.20	(308.76)	268.36	296.63
5	Profit for the period/year	1,457.09	1,404.12	1,957.76	5,032.59	5,945.56	8,344.19
6	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement loss on defined benefit plans, net of tax	(39.60)	(39.60)	(19.46)	(118.80)	(58.37)	(158.40)
	Income tax effect on (i) above	-	-	-	-	-	-
	(ii) Net gain/(loss) on fair value through OCI equity securities	(1,801.28)	(4,670.77)	1,771.33	(5,260.26)	(2,151.65)	(4,371.54)
	Income tax effect on (ii) above	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss						
		-	-	-	-	-	-
7	Total comprehensive income/(loss) for the period/year	(383.79)	(3,306.25)	3,709.63	(346.47)	3,735.54	3,814.25
8	Paid up Equity share capital (face value of ₹5 each)	2,319.90	2,319.90	2,319.90	2,319.90	2,319.90	2,319.90
9	Other equity						78,176.28
10	Earnings per equity share ("EPES")						
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	3.14	3.03	4.22	10.85	12.81	17.98
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	3.14	3.03	4.22	10.85	12.81	17.98



Standalone Segment Information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	Segment revenue						
	a. Dairy	66,114.13	66,489.34	60,799.83	2,03,596.69	1,84,603.94	2,47,000.58
	b. Renewable energy	131.82	300.22	179.80	690.86	954.67	1,137.08
	c. Others	28.22	49.00	161.68	132.72	820.23	917.89
	Total	66,274.17	66,838.56	61,141.31	2,04,420.27	1,86,378.84	2,49,055.55
	Less: Inter segment revenue	114.06	279.46	137.12	617.82	665.90	820.62
	Income from operations	66,160.11	66,559.10	61,004.19	2,03,802.45	1,85,712.94	2,48,234.93
2	Segment results						
	Profit/(Loss) before finance costs, tax and other un-allocable items						
	a. Dairy	2,458.79	1,364.20	3,447.41	7,548.80	10,266.69	14,044.96
	b. Renewable energy	(12.94)	187.44	60.83	317.32	608.05	659.25
	c. Others	3.48	3.98	37.94	11.25	108.67	116.42
	Total	2,449.33	1,555.62	3,546.18	7,877.37	10,983.41	14,820.63
	Less: i. Finance costs	494.22	475.60	479.79	1,483.22	1,471.17	2,068.64
	ii. Other un-allocable expenses	5,458.38	14,062.32	5,380.55	15,941.85	6,613.66	13,303.87
	Add: i. Interest income	9.34	7.48	7.80	40.81	32.64	45.77
	ii. Other un-allocable income	5,402.66	14,010.62	5,311.32	15,778.77	6,455.70	13,374.93
	Profit before tax	1,908.73	1,035.80	3,004.96	6,271.88	9,386.92	12,868.82
3	Segment assets						
	a. Dairy	58,371.99	53,405.42	55,313.74	58,371.99	55,313.74	59,938.84
	b. Renewable energy	6,102.14	6,213.06	6,461.94	6,102.14	6,461.94	6,359.70
	c. Others	-	21.72	-	-	-	-
	d. Unallocated	71,984.89	80,923.97	1,01,441.93	71,984.89	1,01,441.93	93,232.19
	Total	1,36,459.02	1,40,564.17	1,63,217.61	1,36,459.02	1,63,217.61	1,59,530.73
4	Segment liabilities						
	a. Dairy	38,788.57	36,913.79	41,031.58	38,788.57	41,031.58	43,970.83
	b. Renewable energy	2,448.61	2,602.51	2,988.92	2,448.61	2,988.92	2,837.96
	c. Others	-	-	-	-	-	-
	d. Unallocated	16,219.50	21,661.74	38,779.62	16,219.50	38,779.62	32,225.76
	Total	57,456.68	61,178.04	82,800.12	57,456.68	82,800.12	79,034.55

1. The unaudited standalone financial results for the quarter and nine months ended 31 December 2019 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 30 January 2020.
2. The unaudited standalone financial results for the quarter and nine months ended 31 December 2019 were subject to a limited review by the statutory auditors of the Company. There are no qualifications in the limited review report issued for the quarter/nine months ended 31 December 2019.
3. As per Ind AS 108- Operating Segments, the management has identified Dairy and renewable energy as reportable segments.
4. Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases", and pursuant to which it has applied the principles of Ind AS 116, to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 and for nine months and quarter ended 31 December 2018 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹678.05 and a lease liability of ₹699.91. The cumulative effect of applying the standard resulted in ₹16.36 being debited to retained earnings, net of taxes. In view of above, the operating lease rent which was accounted under other expenses in previous periods has now been accounted as depreciation and finance cost. Accordingly, the profit before tax for the current nine months and quarter ended 31 December 2019 has increased by ₹25.81 and ₹3.25 respectively. To this extent performance for the current nine months and quarter ended 31 December 2019 is not comparable with previous nine months and quarterly results.
5. Figures of previous periods/year have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

Sd/-

N Brahmani

Executive Director

DIN: 02338940

Date: 30 January 2020

Place: Hyderabad



HERITAGE FOODS LIMITED

Registered Office: 6-3-541/C, Adjacent to NIMS, Punjagutta, Hyderabad - 500 082

CIN: L15209TG1992PLC014332, website: www.heritagefoods.in, Tel.No: 040-23391221/23391222 Fax: 30685458, email: hfl@heritagefoods.in

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Nine months ended		Year ended 31.03.2019 (Audited)
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	
1	Revenue						
	a. Revenue from operations	67,242.37	67,958.97	61,875.61	2,07,325.72	1,87,972.65	2,51,475.17
	b. Other income	130.71	312.34	214.18	678.36	586.07	901.70
	c. Fair value gain on FVTPL equity securities	-	-	5,311.32	-	-	-
	d. Gain due to changes in fair value of derivative liabilities	5,402.69	14,006.63	-	15,774.78	6,451.70	13,109.85
	Total income	72,775.77	82,277.94	67,401.11	2,23,778.86	1,95,010.42	2,65,486.72
2	Expenses						
	a. Cost of materials consumed	55,197.06	55,456.75	48,769.29	1,66,781.67	1,39,463.90	1,88,050.35
	b. Purchases of stock-in-trade	149.89	246.66	759.24	957.28	3,375.34	5,924.00
	c. Changes in inventories of finished goods, semi finished goods, stock-in-trade and work-in-progress	(697.48)	700.01	(821.61)	1,084.17	4,862.86	3,327.24
	d. Employee benefits expenses	3,992.93	3,929.58	3,658.99	12,016.14	10,885.67	14,182.70
	e. Finance costs	539.47	523.71	499.48	1,617.63	1,517.47	2,148.33
	f. Depreciation and amortization expense	1,284.46	1,293.93	1,141.15	3,834.90	3,332.86	4,465.52
	g. Impairment losses	-	6.01	-	6.01	15.95	365.95
	h. Other expenses	5,263.33	5,408.79	5,013.93	16,288.07	15,423.74	21,121.10
	i. Loss due to changes in fair value of derivative liabilities	-	-	5,311.32	-	-	-
	j. Fair value loss on FVTPL equity securities	5,402.69	14,006.63	-	15,774.78	6,451.70	13,109.85
	Total expenses	71,132.35	81,572.07	64,331.79	2,18,360.65	1,85,329.49	2,52,695.04
3	Profit before share of loss of an associate and a joint venture from continuing operations	1,643.42	705.87	3,069.32	5,418.21	9,680.93	12,791.68
4	Share of loss of an associate and a joint venture	26.05	22.50	10.42	61.33	22.91	39.28
5	Profit before tax from continuing operations	1,617.37	683.37	3,058.90	5,356.88	9,658.02	12,752.40
6	Tax expense						
	a. Current tax expense/(benefit)	474.00	(67.89)	1,005.72	1,548.11	3,191.53	4,259.26
	b. Deferred tax expense/(benefit), net	(25.00)	(314.95)	27.96	(310.47)	195.01	208.64
7	Profit for the period/year from continuing operations	1,168.37	1,066.21	2,025.22	4,119.24	6,271.48	8,284.50
8	Discontinued operations						
	a. Profit/(loss) before tax	2.24	2.61	(15.44)	(69.80)	(22.11)	(18.63)
	b. Tax expense	-	-	-	-	6.01	6.42
9	Profit/(loss) for the period/year from discontinued operations	2.24	2.61	(15.44)	(69.80)	(28.12)	(25.05)
10	Profit for the period/year	1,170.61	1,068.82	2,009.78	4,049.44	6,243.36	8,259.45
11	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement loss on defined benefit plans, net of tax	(39.60)	(39.60)	(19.46)	(118.80)	(58.37)	(164.37)
	(ii) Net gain/(loss) on fair value through OCI equity securities	(1,801.27)	(4,670.77)	1,771.33	(5,260.26)	(2,151.65)	(4,371.54)
	(b) Items that will be reclassified to profit or loss						
12	Total comprehensive income/ (loss) for the period/year	(670.26)	(3,641.55)	3,761.65	(1,329.62)	4,033.34	3,723.54
13	Profit/(loss) for the period/year from continuing operations attributable to:						
	- Owners of the parent	1,462.55	1,425.95	1,890.68	4,889.83	5,990.84	8,143.36
	- Non-controlling interest	(294.18)	(359.74)	134.54	(770.59)	280.64	141.14
14	Profit/(loss) for the period/year from discontinued operations attributable to:						
	- Owners of the parent	-	-	-	-	-	-
	- Non-controlling interest	2.24	2.61	(15.44)	(69.80)	(28.12)	(25.05)
15	Total Profit/(loss) for the period/year attributable to:						
	- Owners of the parent	1,462.55	1,425.95	1,890.68	4,889.83	5,990.84	8,143.36
	- Non-controlling interest	(291.94)	(357.13)	119.10	(840.39)	252.52	116.09
16	Other comprehensive income/(loss) for the period/year attributable to:						
	- Owners of the parent	(1,840.87)	(4,710.37)	1,751.87	(5,379.06)	(2,210.02)	(4,535.91)
	- Non-controlling interest	-	-	-	-	-	-
17	Total comprehensive income/(loss) for the period/year attributable to:						
	- Owners of the parent	(378.32)	(3,284.42)	3,642.55	(489.23)	3,780.82	3,607.45
	- Non-controlling interest	(291.94)	(357.13)	119.10	(840.39)	252.52	116.09
18	Paid up Equity share capital (face value of ₹5 each)	2,319.90	2,319.90	2,319.90	2,319.90	2,319.90	2,319.90
19	Other equity (attributable to the Owners of the Company)	-	-	-	-	-	77,935.90
20	Earnings per equity share("EPES") for continuing operations						
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	3.15	3.07	4.07	10.54	12.91	17.55
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	3.15	3.07	4.07	10.54	12.91	17.55
21	EPES for discontinued operations						
	(1) Basic (Not annualised) (in absolute Rs. terms)	-	-	-	-	-	-
	(2) Diluted (Not annualised) (in absolute Rs. terms)	-	-	-	-	-	-
22	EPES for continuing and discontinued operations						
	(1) Basic (Not annualised) (in absolute Rs. terms)	3.15	3.07	4.07	10.54	12.91	17.55
	(2) Diluted (Not annualised) (in absolute Rs. terms)	3.15	3.07	4.07	10.54	12.91	17.55



Consolidated segment information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	Segment revenue						
	a. Dairy	66,114.13	66,489.34	60,799.83	2,03,596.69	1,84,603.94	2,47,000.58
	b. Renewable energy	131.82	300.22	179.80	690.86	954.67	1,137.08
	c. Feed	2,524.54	3,071.24	1,938.59	8,311.84	5,218.52	7,376.06
	d. Others	28.22	49.00	366.10	132.72	1,294.93	1,593.74
	Total	68,798.71	69,909.80	63,284.32	2,12,732.11	1,92,072.06	2,57,107.46
	Less: Inter segment revenue	1,556.34	1,950.83	1,408.71	5,406.39	4,099.41	5,632.29
	Income from operations	67,242.37	67,958.97	61,875.61	2,07,325.72	1,87,972.65	2,51,475.17
2	Segment results						
	Profit/(loss) before finance costs, tax and other un-allocable items						
	a. Dairy	2,458.79	1,364.20	3,447.41	7,548.80	10,266.69	14,044.96
	b. Renewable energy	(12.94)	187.44	60.83	317.32	608.05	659.25
	c. Feed	77.79	84.76	(76.20)	79.96	56.12	111.19
	d. Others	(293.48)	(362.57)	157.79	(782.13)	349.14	228.82
	Total	2,230.16	1,273.83	3,589.83	7,163.95	11,280.00	15,044.22
	Share of loss of an associate and a joint venture	(26.05)	(22.50)	(10.42)	(61.33)	(22.91)	(39.28)
	Less: i. Finance costs	539.47	523.71	499.48	1,617.63	1,517.47	2,148.33
	ii. Other un-allocable expenses	5,457.46	14,066.51	5,356.80	15,958.55	6,602.25	13,303.87
	Add: i. Interest income	7.54	11.60	24.46	51.66	64.97	85.82
	ii. Other un-allocable income	5,402.65	14,010.66	5,311.31	15,778.78	6,455.68	13,113.84
	Total profit before tax	1,617.37	683.37	3,058.90	5,356.88	9,658.02	12,752.40
3	Segment assets						
	a. Dairy	58,371.99	53,405.42	55,313.74	58,371.99	55,313.74	59,938.84
	b. Renewable energy	6,102.14	6,213.06	6,461.94	6,102.14	6,461.94	6,359.70
	c. Feed	5,835.73	6,061.75	3,910.51	5,835.73	3,910.51	5,365.45
	d. Others	163.71	491.44	1,076.57	163.71	1,076.57	965.68
	e. Unallocated	68,865.07	77,918.59	99,467.43	68,865.07	99,467.43	90,822.06
	Total	1,39,338.64	1,44,090.26	1,66,230.19	1,39,338.64	1,66,230.19	1,63,451.73
4	Segment liabilities						
	a. Dairy	38,788.57	36,913.79	41,031.58	38,788.57	41,031.58	43,970.83
	b. Renewable energy	2,448.61	2,602.51	2,988.92	2,448.61	2,988.92	2,837.96
	c. Feed	3,069.90	3,537.28	1,941.24	3,069.90	1,941.24	3,158.37
	d. Others	17.85	14.83	9.96	17.85	9.96	30.83
	e. Unallocated	16,112.79	21,440.43	38,520.48	16,112.79	38,520.48	32,027.34
	Total	60,437.72	64,508.84	84,492.18	60,437.72	84,492.18	82,025.33

1. The unaudited consolidated financial results for the quarter and nine months ended 31 December 2019 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 30 January 2020.
2. The consolidated financial results for the quarter and nine months ended 31 December 2019 were subjected to a limited review by the statutory auditors of the Company. There are no qualifications in the limited review report issued for the quarter/nine months ended 31 December 2019.
3. As per Ind AS 108 - Operating Segments, the management has identified Dairy, Renewable energy and Feed as reportable segments.
4. Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases", and pursuant to which it has applied the principles of Ind AS 116, to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 and for nine months and quarter ended 31 December 2018 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹678.05 and a lease liability of ₹699.91. The cumulative effect of applying the standard resulted in ₹16.36 being debited to retained earnings, net of taxes. In view of above, the operating lease rent which was accounted under other expenses in previous periods has now been accounted as depreciation and finance cost. Accordingly, the profit before tax for the current nine months and quarter ended 31 December 2019 has increased by ₹25.81 and ₹ 3.25 respectively. To this extent performance for the current nine months and quarter ended 31 December 2019 is not comparable with the previous nine months and quarterly results.
5. Figures of previous periods/year have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

Sd/-

N Brahmani

Executive Director

DIN: 02338940

Date: 30 January 2020

Place: Hyderabad