



**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 ENDED 30 JUNE 2020**

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited) (refer note 3)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Revenue</b>				
	a. Revenue from operations	61,973.24	64,308.18	71,083.24	2,68,110.63
	b. Other income	166.22	153.29	246.92	832.39
	c. Fair value gain on fair value through profit or loss (FVTPL) equity securities	6,686.92	-	3,634.54	-
	d. Gain due to changes in fair value of derivative liabilities	-	13,674.09	-	29,448.87
	<b>Total income</b>	<b>68,826.38</b>	<b>78,135.56</b>	<b>74,964.70</b>	<b>2,98,391.89</b>
<b>2</b>	<b>Expenses</b>				
	a. Cost of materials consumed	48,377.90	54,494.10	54,083.39	2,15,052.77
	b. Purchases of stock-in-trade	1,618.46	1,257.90	1,891.85	6,053.54
	c. Changes in inventories of finished goods, semi finished goods, stock-in-trade and work-in-progress	(1,498.33)	(2,513.01)	1,147.13	(1,319.75)
	d. Employee benefits expenses	3,994.79	3,484.97	3,929.81	14,956.81
	e. Finance costs	585.90	597.50	513.41	2,080.72
	f. Depreciation and amortization expense	1,134.97	1,123.91	1,207.55	4,803.59
	g. Impairment losses	190.33	68.24	-	74.25
	h. Other expenses	4,134.82	4,975.70	5,229.71	19,997.04
	i. Loss due to changes in fair value of derivative liabilities	-	-	3,634.54	-
	j. Fair value loss on FVTPL equity securities	-	35,385.78	-	51,160.56
	<b>Total expenses</b>	<b>58,538.84</b>	<b>98,875.09</b>	<b>71,637.39</b>	<b>3,12,859.53</b>
<b>3</b>	<b>Profit/(loss) before tax</b>	<b>10,287.54</b>	<b>(20,739.53)</b>	<b>3,327.31</b>	<b>(14,467.64)</b>
<b>4</b>	<b>Tax expense</b>				
	a. Current tax expense	1,012.44	302.42	1,142.00	1,850.47
	b. Deferred tax expense/(benefit), net	(120.48)	(8.91)	13.97	(317.67)
<b>5</b>	<b>Profit/(loss) for the period/year</b>	<b>9,395.58</b>	<b>(21,033.04)</b>	<b>2,171.34</b>	<b>(16,000.44)</b>
<b>6</b>	<b>Other comprehensive income (OCI)</b>				
	<b>(a) Items that will not be reclassified to profit or loss</b>				
	(i) Re-measurement gain/(loss) on defined benefit plan, net of tax	(13.68)	64.07	(39.60)	(54.73)
	(ii) Net gain/(loss) on fair value through OCI equity securities	2,229.57	(11,799.64)	1,211.79	(17,059.90)
	<b>(b) Items that will be reclassified to profit or loss</b>	-	-	-	-
<b>7</b>	<b>Total comprehensive income/(loss) for the period/year</b>	<b>11,611.47</b>	<b>(32,768.61)</b>	<b>3,343.53</b>	<b>(33,115.07)</b>
<b>8</b>	Paid up Equity share capital (face value of ₹5 each)	2,319.90	2,319.90	2,319.90	2,319.90
<b>9</b>	Other equity				43,913.17
<b>10</b>	<b>Earnings per equity share ("EPES")</b>				
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	20.25	(45.33)	4.68	(34.49)
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	20.25	(45.33)	4.68	(34.49)



### Standalone Segment Information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited) (refer note 3)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Segment revenue</b>				
	a. Dairy	61,955.28	64,170.64	70,993.22	2,67,767.46
	b. Renewable energy	192.10	247.86	258.82	938.72
	c. Others	-	44.28	55.50	176.87
	<b>Total</b>	<b>62,147.38</b>	<b>64,462.78</b>	<b>71,307.54</b>	<b>2,68,883.05</b>
	Less: Inter segment revenue	174.14	154.60	224.30	772.42
	<b>Income from operations</b>	<b>61,973.24</b>	<b>64,308.18</b>	<b>71,083.24</b>	<b>2,68,110.63</b>
<b>2</b>	<b>Segment results</b>				
	Profit before finance costs, tax and other un-allocable items				
	a. Dairy	4,219.63	1,477.71	3,725.81	9,026.63
	b. Renewable energy	50.60	125.52	142.83	442.84
	c. Others	-	3.42	3.79	14.55
	<b>Total</b>	<b>4,270.23</b>	<b>1,606.65</b>	<b>3,872.43</b>	<b>9,484.02</b>
	Less: i. Finance costs	585.90	597.50	513.41	2,080.72
	ii. Other un-allocable expenses	100.80	35,441.46	3,690.23	51,383.31
	Add: i. Interest income	17.09	18.69	23.99	59.50
	ii. Other un-allocable income	6,686.92	13,674.09	3,634.53	29,452.87
	<b>Profit/(loss) before tax</b>	<b>10,287.54</b>	<b>(20,739.53)</b>	<b>3,327.31</b>	<b>(14,467.64)</b>
<b>3</b>	<b>Segment assets</b>				
	a. Dairy	62,565.68	65,436.72	55,767.19	65,436.72
	b. Renewable energy	5,918.16	6,027.09	6,272.91	6,027.09
	c. Others	-	-	37.25	-
	d. Unallocated	34,145.11	24,721.18	98,419.30	24,721.18
	<b>Total</b>	<b>1,02,628.95</b>	<b>96,184.99</b>	<b>1,60,496.65</b>	<b>96,184.99</b>
<b>4</b>	<b>Segment liabilities</b>				
	a. Dairy	39,844.76	45,209.71	37,738.68	45,209.71
	b. Renewable energy	2,073.31	2,209.10	2,679.66	2,209.10
	c. Others	-	-	-	-
	d. Unallocated	2,866.34	2,533.11	36,264.03	2,533.11
	<b>Total</b>	<b>44,784.41</b>	<b>49,951.92</b>	<b>76,682.37</b>	<b>49,951.92</b>

1. The unaudited standalone financial results for the quarter ended 30 June 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 29 July 2020.
2. The standalone financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July, 2016.
3. The figures for the quarter ended 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2020 and the unaudited year to date figures up to the nine months ended 31 December 2019, which were subjected to limited review by the statutory auditors.
4. As per Ind AS 108- Operating Segments, the management has identified Dairy and renewable energy as reportable segments.
5. The profit / (loss) for the period / year has impacted significantly due to material fluctuations in the fair value of specified investments and the corresponding derivative liabilities. The table below provides additional information relating to profit after tax and EPES, excluding the impact of such unusual fluctuations:

	Quarter Ended 30.06.2020	Quarter Ended 31.03.2020	Quarter Ended 30.06.2019	Year Ended 31.03.2020
<b>Profit/(loss) before tax</b>	<b>9,395.58</b>	<b>(21,033.04)</b>	<b>2,171.34</b>	<b>(16,000.44)</b>
<b>Adjustments:</b>				
Gains/(losses) due to fair value changes	6,686.92	(21,711.69)	-	(21,711.69)
<b>Profit for the period/year after above adjustments</b>	<b>2,708.66</b>	<b>678.65</b>	<b>2,171.34</b>	<b>5,711.25</b>
<b>Core business EPES (not annualised) (in absolute ₹ terms)</b>	<b>5.84</b>	<b>1.46</b>	<b>4.68</b>	<b>12.31</b>

6. The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the standalone financial results in determining the impact on various elements of its standalone financial results relating to COVID-19 pandemic. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables, inventories, other financial assets and other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these standalone financial results.
7. Figures of previous period/year have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

Sd/-

**N. Bhuvanewari**

Vice Chairperson and Managing Director

DIN: 00003741

Date: 29 July 2020  
Place: Hyderabad



HERITAGE FOODS LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited) (refer note 3)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Revenue</b>				
	a. Revenue from operations	63,880.92	65,264.71	72,124.38	2,72,590.43
	b. Other income	160.93	194.17	249.55	886.74
	c. Fair value gain on FVTPL equity securities	6,686.92	-	3,634.54	-
	d. Gain due to changes in fair value of derivative liabilities	-	13,674.09	-	29,448.87
	<b>Total income</b>	<b>70,728.77</b>	<b>79,132.97</b>	<b>76,008.47</b>	<b>3,02,926.04</b>
<b>2</b>	<b>Expenses</b>				
	a. Cost of materials consumed	50,208.68	55,852.47	56,127.86	2,22,634.13
	b. Purchases of stock-in-trade	730.54	239.47	560.73	1,196.74
	c. Changes in inventories of finished goods, semi finished goods, stock-in-trade and work-in-progress	(1,439.89)	(2,459.35)	1,081.63	(1,375.18)
	d. Employee benefits expenses	4,162.60	3,622.89	4,093.62	15,639.03
	e. Finance costs	627.08	645.72	554.45	2,263.36
	f. Depreciation and amortization expense	1,188.66	1,178.31	1,256.51	5,013.21
	g. Impairment losses	190.33	68.24	-	74.25
	h. Other expenses	4,424.53	5,265.27	5,630.19	21,567.55
	i. Loss due to changes in fair value of derivative liabilities	-	-	3,634.54	-
	j. Fair value loss on FVTPL equity securities	-	35,385.78	-	51,160.56
	<b>Total expenses</b>	<b>60,092.53</b>	<b>99,798.80</b>	<b>72,939.53</b>	<b>3,18,173.65</b>
<b>3</b>	<b>Profit/(loss) before share of loss of an associate and a joint venture from continuing operations</b>	<b>10,636.24</b>	<b>(20,665.83)</b>	<b>3,068.94</b>	<b>(15,247.61)</b>
<b>4</b>	<b>Share of loss of an associate and a joint venture</b>	<b>19.33</b>	<b>28.78</b>	<b>12.78</b>	<b>90.11</b>
<b>5</b>	<b>Profit/(loss) before tax from continuing operations</b>	<b>10,616.91</b>	<b>(20,694.61)</b>	<b>3,056.16</b>	<b>(15,337.72)</b>
<b>6</b>	<b>Tax expense</b>				
	a. Current tax expense	1,087.01	311.24	1,142.00	1,859.35
	b. Deferred tax expense/(benefit), net	(80.02)	(14.28)	29.48	(324.75)
<b>7</b>	<b>Profit/(loss) for the period/year from continuing operations</b>	<b>9,609.92</b>	<b>(20,991.57)</b>	<b>1,884.68</b>	<b>(16,872.32)</b>
<b>8</b>	<b>Discontinued operations</b>				
	a. Profit/(loss) before tax	(65.69)	2.10	(74.65)	(67.70)
	b. Tax expense	-	-	-	-
<b>9</b>	<b>Profit/(loss) for the period/year from discontinued operations</b>	<b>(65.69)</b>	<b>2.10</b>	<b>(74.65)</b>	<b>(67.70)</b>
<b>10</b>	<b>Profit/(loss) for the period/year</b>	<b>9,544.23</b>	<b>(20,989.47)</b>	<b>1,810.03</b>	<b>(16,940.02)</b>
<b>11</b>	<b>Other comprehensive income (OCI)</b>				
	<b>(a) Items that will not be reclassified to profit or loss</b>				
	(i) Re-measurement gain/(loss) on defined benefit plan, net of tax	(13.68)	60.52	(39.60)	(58.28)
	(ii) Net gain/(loss) on fair value through OCI equity securities	2,229.57	(11,799.64)	1,211.79	(17,059.90)
	<b>(b) Items that will be reclassified to profit or loss</b>				
<b>12</b>	<b>Total comprehensive income/ (loss) for the period/year</b>	<b>11,760.12</b>	<b>(32,728.59)</b>	<b>2,982.22</b>	<b>(34,058.20)</b>
<b>13</b>	<b>Profit/(loss) for the period/year from continuing operations attributable to:</b>				
	- Owners of the parent	9,640.91	(20,921.05)	2,001.32	(16,031.23)
	- Non-controlling interest	(30.99)	(70.52)	(116.64)	(841.09)
<b>14</b>	<b>Profit/(loss) for the period/year from discontinued operations attributable to:</b>				
	- Owners of the parent	-	-	-	-
	- Non-controlling interest	(65.69)	2.10	(74.65)	(67.70)
<b>15</b>	<b>Total Profit/(loss) for the period/year attributable to:</b>				
	- Owners of the parent	9,640.91	(20,921.05)	2,001.32	(16,031.23)
	- Non-controlling interest	(96.68)	(68.42)	(191.29)	(908.79)
<b>16</b>	<b>Other comprehensive income/(loss) for the period/year attributable to:</b>				
	- Owners of the parent	2,215.89	(11,739.12)	1,172.19	(17,118.18)
	- Non-controlling interest	-	-	-	-
<b>17</b>	<b>Total comprehensive income/(loss) for the period/year attributable to:</b>				
	- Owners of the parent	11,856.80	(32,660.17)	3,173.51	(33,149.41)
	- Non-controlling interest	(96.68)	(68.42)	(191.29)	(908.79)
<b>18</b>	<b>Paid up Equity share capital (face value of ₹5 each)</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>
<b>19</b>	<b>Other equity (attributable to the Owners of the Company)</b>				<b>43,638.49</b>
<b>20</b>	<b>Earnings per equity share("EPES") for continuing operations</b>				
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	20.78	(45.09)	4.31	(34.55)
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	20.78	(45.09)	4.31	(34.55)
<b>21</b>	<b>EPES for discontinued operations</b>				
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	-	-	-	-
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	-	-	-	-
<b>22</b>	<b>EPES for continuing and discontinued operations</b>				
	(1) Basic EPES (not annualised) (in absolute ₹ terms)	20.78	(45.09)	4.31	(34.55)
	(2) Diluted EPES (not annualised) (in absolute ₹ terms)	20.78	(45.09)	4.31	(34.55)



Consolidated segment information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited) (refer note 3)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Segment revenue</b>				
	a. Dairy	61,955.28	64,170.64	70,993.22	2,67,767.46
	b. Renewable energy	192.10	247.86	258.82	938.72
	c. Feed	3,455.30	2,073.58	2,716.06	10,385.42
	d. Others	-	44.28	55.50	176.87
	<b>Total</b>	<b>65,602.68</b>	<b>66,536.36</b>	<b>74,023.60</b>	<b>2,79,268.47</b>
	Less: Inter segment revenue	1,721.76	1,271.65	1,899.22	6,678.04
	<b>Income from operations</b>	<b>63,880.92</b>	<b>65,264.71</b>	<b>72,124.38</b>	<b>2,72,590.43</b>
<b>2</b>	<b>Segment results</b>				
	Profit/(loss) before finance costs, tax and other un-allocable items				
	a. Dairy	4,219.63	1,477.71	3,725.81	9,026.63
	b. Renewable energy	50.60	125.52	142.83	442.84
	c. Feed	471.15	188.46	(82.60)	268.41
	d. Others	(31.79)	(68.23)	(126.05)	(850.45)
	<b>Total</b>	<b>4,709.59</b>	<b>1,723.46</b>	<b>3,659.99</b>	<b>8,887.43</b>
	Share of loss of an associate and a joint venture	(19.33)	(28.78)	(12.78)	(90.11)
	Less: i. Finance costs	627.08	645.72	554.45	2,263.36
	ii. Other un-allocable expenses	147.90	35,434.01	3,703.67	51,392.56
	Add: i. Interest income	14.72	16.36	32.51	68.02
	ii. Other un-allocable income	6,686.91	13,674.08	3,634.56	29,452.86
	<b>Profit/(loss) before tax from continuing operations</b>	<b>10,616.91</b>	<b>(20,694.61)</b>	<b>3,056.16</b>	<b>(15,337.72)</b>
<b>3</b>	<b>Segment assets</b>				
	a. Dairy	62,565.68	65,436.72	55,767.19	65,436.72
	b. Renewable energy	5,918.16	6,027.09	6,272.91	6,027.09
	c. Feed	5,947.72	5,611.86	5,821.91	5,611.86
	d. Others	65.64	98.56	899.60	98.56
	e. Unallocated	30,800.92	21,646.35	95,577.15	21,646.35
	<b>Total</b>	<b>1,05,298.12</b>	<b>98,820.58</b>	<b>1,64,338.76</b>	<b>98,820.58</b>
<b>4</b>	<b>Segment liabilities</b>				
	a. Dairy	39,844.76	45,209.71	37,738.68	45,209.71
	b. Renewable energy	2,073.31	2,209.10	2,679.66	2,209.10
	c. Feed	2,663.89	2,800.83	3,514.16	2,800.83
	d. Others	8.65	13.65	15.08	13.65
	e. Unallocated	2,774.85	2,413.73	36,018.61	2,413.73
	<b>Total</b>	<b>47,365.46</b>	<b>52,647.02</b>	<b>79,966.19</b>	<b>52,647.02</b>

1. The unaudited consolidated financial results for the quarter ended 30 June 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 29 July 2020.
2. The consolidated financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July, 2016.
3. The figures for the quarter ended 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2020 and the unaudited year to date figures up to the nine months ended 31 December 2019, which were subjected to limited review by the statutory auditors.
4. As per Ind AS 108 - Operating Segments, the management has identified Dairy, Renewable energy and Feed as reportable segments.
5. The profit / (loss) for the period / year has impacted significantly due to material fluctuations in the fair value of specified investments and the corresponding derivative liabilities. The table below provides additional information relating to profit after tax and EPES, excluding the impact of such unusual fluctuations:

	Quarter Ended 30.06.2020	Quarter Ended 31.03.2020	Quarter Ended 30.06.2019	Year Ended 31.03.2020
<b>Profit/(loss) before tax from continuing operations</b>	<b>9,609.92</b>	<b>(20,991.57)</b>	<b>1,884.68</b>	<b>(16,872.32)</b>
<b>Adjustments:</b>				
Gains/(losses) due to fair value changes	6,686.92	(21,711.69)	-	(21,711.69)
<b>Profit for the period/year from continuing operations, after above adjustments</b>	<b>2,923.00</b>	<b>720.12</b>	<b>1,884.68</b>	<b>4,839.37</b>
<b>Core business EPES (not annualised) (in absolute ₹ terms)</b>	<b>6.37</b>	<b>1.70</b>	<b>4.31</b>	<b>12.24</b>

6. The Group has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the consolidated financial results in determining the impact on various elements of its consolidated financial results relating to COVID-19 pandemic. The Group has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Group expects to fully recover the carrying amount of trade receivables, inventories, other financial assets and other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these consolidated financial results.
7. Figures of previous period/year have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

Sd/-

**N. Bhuvanewari**

Vice Chairperson and Managing Director

DIN: 00003741

Date: 29 July 2020

Place: Hyderabad