



25
YEARS
OF HERITAGE

Ref: SECT: STOC: 47-19

1st August, 2019

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 herewith enclosing the copy of the quarterly updates which covers the milestones achieved by the Company during the quarter ended 30th June, 2019, 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.

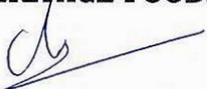
Therefore we will request you to display in the website of the stock exchanges to the benefit of the investor community.

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





Corporate Presentation
July – 2019 (Q1FY20)



Disclaimer Clause

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

future, but not limited to 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 realised.

Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances. Their investors are expected to make their own independent assessments and judgements by considering all relevant factors before making any investment decision. The Company assumes no responsibility to publicly amend or revise such statements on the basis of subsequent developments, information or events.

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1. Vision & Mission



Vision

Delighting every home with fresh and healthy products and empowering the farmer

Mission

To be a nationally recognized brand for healthy and fresh products with a revenue of INR 6000 Crore by 2024

We anticipate, understand and respond to our customer's 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 support 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.

2. Company Overview



Core Business

- 27 Years rich experience in dairy business that includes, procurement of milk from dairy farmers at village level, and distribution of processed milk to the households in 15 states.
- Over a decade plus experience in production of other dairy products like curd, ice cream, paneer, butter milk, flavoured milk, butter, cream, and ghee.
- Widely respected brand known for its freshness and purity in dairy products

Key Strengths

- Strong relationships with over 3 lakh dairy farmers.
- Supplying dairy products to over 15 lakh households.

Financial Strength

- High Return on Capital Employed (ROCE)
- Low Debt/Equity Ratio
- High operational efficiency in terms of Working Capital Cycle.

3. Financial Highlights – Q1FY20

(Consolidated)



		(Growth %)
	Revenue	721.24 Cr +12.41 %
	EBITDA	48.66 Cr +1.71 %
	PBT	30.56 Cr - 3.11 %
	PAT	18.85 Cr - 12.00 %

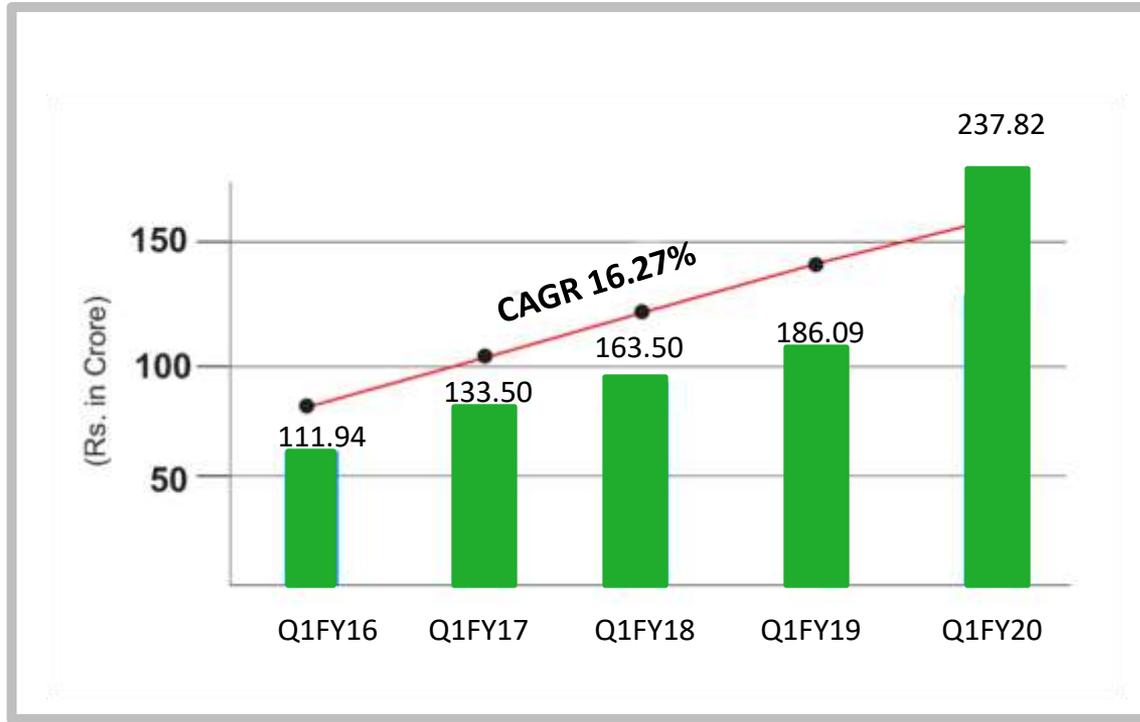
4. Financials – Q1FY20, Q1FY19

(Standalone)



Financial Highlights	Q1FY20	Q1FY19
(Rs in crores)		
Net Turnover		
Dairy	710.49	633.66
RE	2.59	3.31
EBITDA		
Dairy	48.23	43.13
RE	2.25	3.14
PBT		
Dairy	32.47	28.79
RE	0.80	1.55
Dairy Margins		
EBITDA	6.79%	6.81%
PBT	4.57%	4.54%

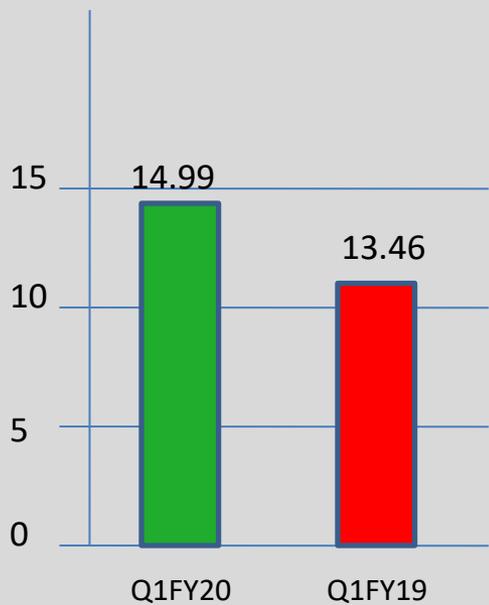
5. Growth in VAP



6. Procurement & Sales



Milk Procurement (LLPD)*



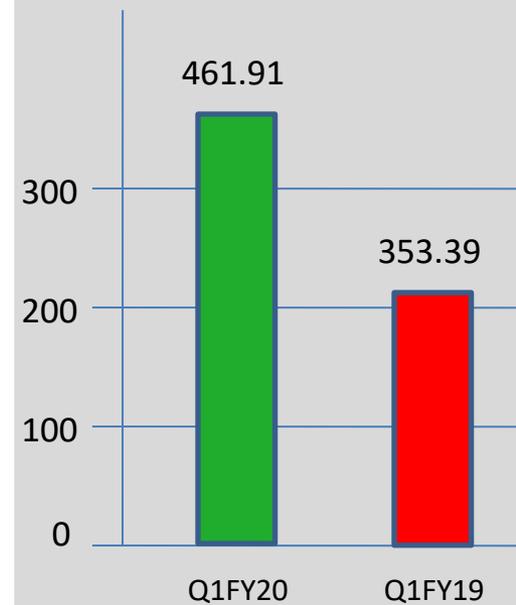
Cost per Liter
Rs. 33.40 Rs. 32.42

Milk Sales (LLPD)



Milk Selling Price
Rs. 39.75 Rs. 38.93

Curd Sales (MTPD)*



Curd Selling Price
Rs. 44.35 Rs. 44.80

*LLPD: Lakh Liters Per Day

*MTPD: Metric Tonnes Per Day

7. Heritage Nutrivet Limited

(A Wholly Owned Subsidiary Company)



Particulars (Rs in Lakh)	Q1FY20	Q1FY19
Turnover	2717	1606
EBITDA	(34)	108
PBT	(128)	68



8. Financials - Yearly



Financial Highlights	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14
(Rs in crores)						
Net Turnover	2482.35	2344.01	2642.89	2380.58	2072.97	1722.04
Dairy	2479.18	2343.68	1870.72	1768.8	1555.86	1328.19
RE	11.37	6.87	5.21	3.04	2.57	0.77
EBITDA	192.43	133.32	146.61	136.47	88.08	98.65
Dairy	182.56	127.32	144.82	137.2	87.82	113.67
RE	9.87	6.01	4.31	2.08	1.52	0.03
PBT	128.69	88.08	323.31	85.98	39.14	61.21
Dairy	124.93	79.79	114.76	105.68	57.31	89.88
RE	3.76	-0.04	0.38	0.14	-0.85	-0.89
FVTPL		8.33	208.26			
IND-AS Adjustment			-0.09			
Dairy Margins						
EBITDA%	7.36%	5.43%	7.74%	7.76%	5.65%	8.56%
PBT%	5.04%	3.40%	6.13%	5.97%	3.68%	6.77%

Note: Figures in FY14 - FY17 Include Discontinued Businesses.

9. Balance Sheet Figures



Particulars	FY19	FY18	FY17	FY16	FY15
(Rs in crore)			(As per Ind-As)		
Equity Share Capital	23.20	23.20	23.20	23.20	23.20
Other Equity (Reserves & Surplus)	781.76	754.81	570.02	216.80	169.80
Networth	804.96	778.01	593.22	240.00	193.00
Gross Fixed Assets	549.90	463.20	304.99	518.40	462.30
Net Fixed Assets	475.66	424.71	287.41	312.00	280.70

Key Ratios:

Net Fixed Asset Turnover; 6

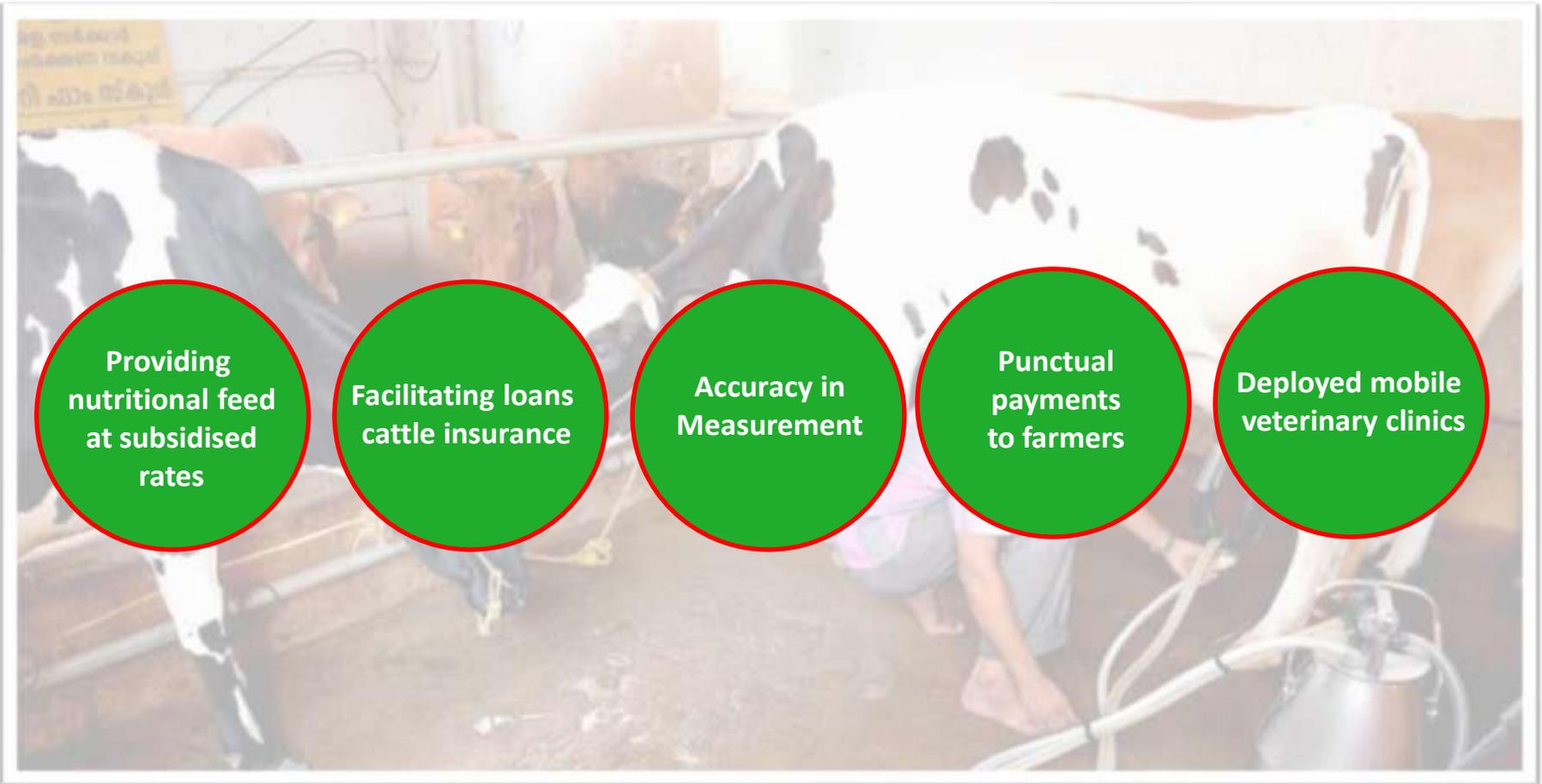
Debt / Equity; 0.18

Current Ratio; 0.82

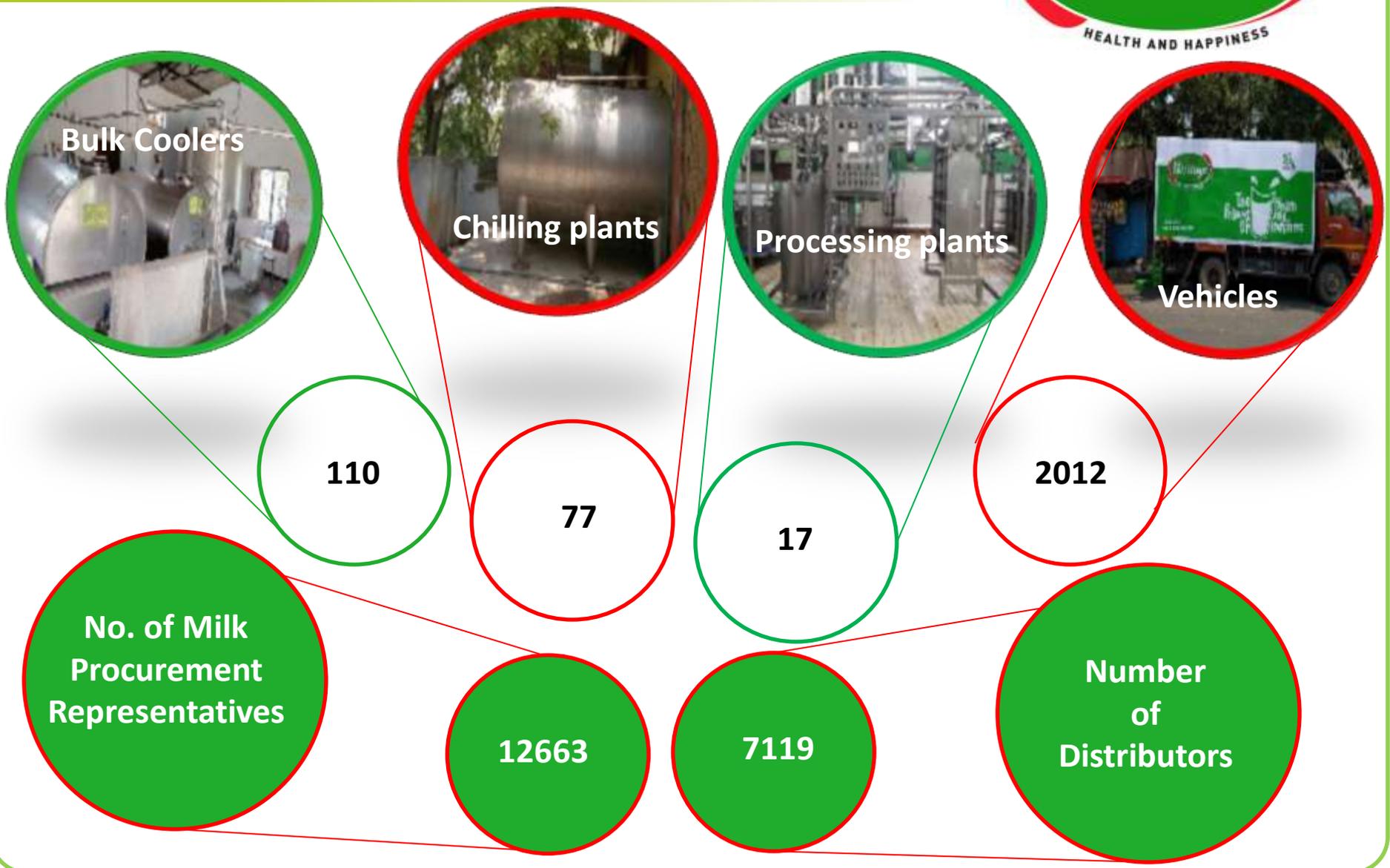
Inventory Days; 21

Book Value (Rs. 5/share); Rs. 173.49

10. Winning Farmers' Trust



11. Achieving Operational Excellence



12. Innovations



- Launched new range of health drinks Lassi with goodness of 'Ragi' and 'Sabja'

Strong
360°
marketing
approach



INTRODUCING SABJA & RAGI LASSI

Two cups of Heritage Lassi are shown. The left cup is Sabja Lassi (purple) with a calcium content of 29%. The right cup is Ragi Lassi (brown) with a calcium content of 33%. Both cups feature the Heritage logo and a glass of lassi.

- Rich in calcium
- Helps in weight loss
- Improves digestion
- Acts as coolant
- Promotes healthy skin

- Rich in calcium
- Helps reduce cholesterol
- Helps in weight loss
- Helps in relaxation

13. UHT Plant



- Commissioned an UHT Plant with capacity of 1 Lakh Litres Per Day
- Variants: Double Toned Milk & Toned Milk.
- UHT Milk sales: 42,52,070 Liters (Apr'19 - Jun'19)



14. Parlour as branded outlets



- Exclusive Product Outlets
- 1378 Outlets
- Helps in Branding
- Complete Range of Products
- Products availability and Accessibility to customers



15. Heritage Distribution Centre (HDC)



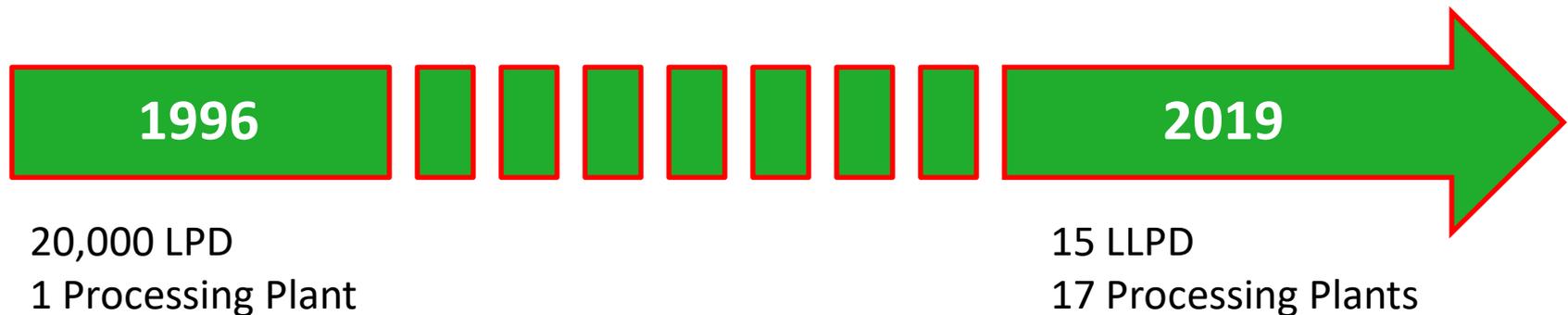
- Exclusive Product Distribution centre
- 44 HDC's in Operation 18 at Bangalore, 18 at Chennai, 2 at Delhi Region, 3 at Punjab, 1 at Mumbai, 1 at Rajahmundry and 1 at Vijayawada.
- Each HDC Covering 100 retail and 100 households of the locality
- Unique tool for entering the unrepresented gap areas
- A big leap in strengthening the brand imaging



16. Way Forward



- To reach a topline of Rs. 6000 crore
- To achieve Rs. 2400 crore from value added products
- To handle 28 lakh liters of milk per day
- To expand relationship to 6 lakh farmers
- To supply dairy products to 30 lakh households





The Promise Of  Health And Happiness

Thank You

Umakanta Barik | hfl@heritagefoods.in