



Ref: SECT: STOC: 53-23

May 26, 2023

To
The Secretary
BSE Limited
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

Scrip Code: 519552

Scrip Code: HERITGFOOD

Sub: Investor Presentation - reg

Dear Sir / Madam,

Pursuant to Regulation 30 and other respective regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the copy of Investor Presentation which covers the milestones achieved by the Company during the quarter/year ended March 31, 2023, apart from that there are certain other information which is required to be known by our existing shareholders as well as prospective investors of the Company.

The copy of the disclosure is available in the website of the Company i.e. www.heritagefoods.in

Kindly take the same on record and display the same on the website of your exchange.

Thanks & Regards

For **HERITAGE FOODS LIMITED**

UMAKANTA BARIK
Company Secretary & Compliance Officer
M. No: FCS-6317



Enc: a/a

About the Company:

Heritage Foods founded in the year 1992 is one of the fastest growing Private Sector Enterprises in India, with two business divisions' viz., Dairy and Renewable Energy under its flagship company Heritage Foods Limited and Cattle feed business through its subsidiary, Heritage Nutrivet Limited (HNL). Presently Heritage's milk and milk products have market presence in Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Maharashtra, Odisha, NCR Delhi, Haryana, Uttar Pradesh and Uttarakhand. It has total renewable energy generation capacity of 10.50 MW from both Solar and Wind for captive consumption of its dairy factories.

HERITAGE FOODS LIMITED

CIN : L15209TG1992PLC014332

AN ISO: 22000 CERTIFIED COMPANY

Regd. Off : H.No. 8-2-293/82/A/1286 , Plot No. 1286, Road No. 1 & 65, Jubilee Hills, Hyderabad - 500033, Telangana, INDIA.
Tel. : +91-40-23391221, 23391222, Fax: 23326789, 23318090 Email : hfl@heritagefoods.in, Website : www.heritagefoods.in








Earnings Presentation


Q4-FY23 / FY23




Rich Legacy of 30 Years 

Fully Integrated Dairy Business 


Wide Presence Across 11 States 


Highly Qualified and Experienced Leadership Team and Independent Board 


Strong Distribution Network with Omni Channel Presence 


Strong Corporate Governance Standards 

+1.5 Mn Households Served Daily 


Net Debt Free 


18 State-of-the-art Milk Processing Plants 

10 Year CAGR: Revenue – 6.42% 

2.65 MLPD Milk Processing Capacity 

300,000 Farmers Benefited through various Development Activities 

3,000+ employees on rolls 

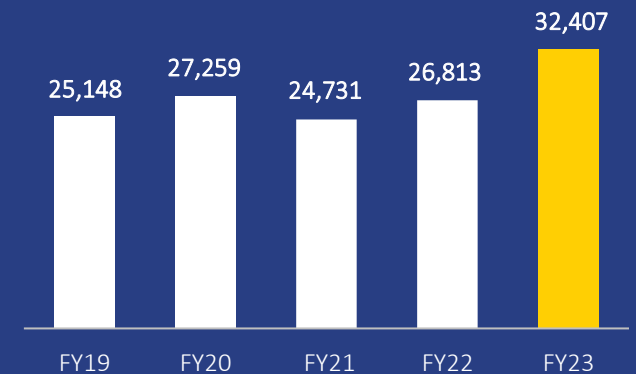
INR A+ (LT), A1 (ST) Credit Rating CRISIL 



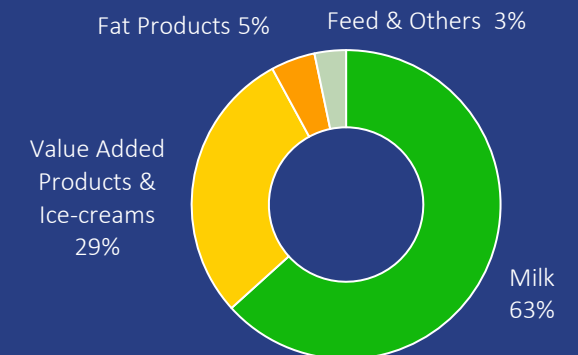
3 Company Overview

- Founded in 1992 with the objective to serve the farming community in India, Heritage Foods is India's one of the leading Dairy companies.
- Over the span of 3 decades, Heritage Foods has not only stayed true its values and mission but also created a diversified product portfolio, which includes milk and many milk based value added products.
- The company has a highly qualified and experienced leadership team with decades of experience spanning across business functions and is guided by a strong and eminent independent board of directors.
- Over the years, the company has created strong long-lasting relationships with 300,000+ dairy farmers for milk procurement across 9 states in India.
- The company has 18 State-of-the-art milk processing facilities with a total processing capacity of 2.65 Mn litres per day (MLPD), and 202 Chilling Units with 2.22 MLPD milk chilling capacity.
- Heritage Foods has created deeply entrenched distribution network with products sold across 11 States in India and including 147 Heritage Distribution Centres, 130,000+ Retail Outlets, 27 organized retail chains across India and 859 Heritage Parlours. It also has a strong presence across 16 E-Commerce websites.
- Heritage adopts a technology integrated network enabled by 11,300+ Milk Procurement Representatives & 2,100+ distribution vehicles across 11 states on the back of 6,500+ distributors who deliver Heritage products daily at doorsteps.
- The company has a technologically advanced R&D infrastructure with stringent quality control for the benefit of consumers.

Revenue (INR Mn)



Product Mix (FY23)



Product Portfolio



Milk



Value Added Products



Fat Products



Animal Nutrition
Heritage Nutrivet – Subsidiary



Ice-creams

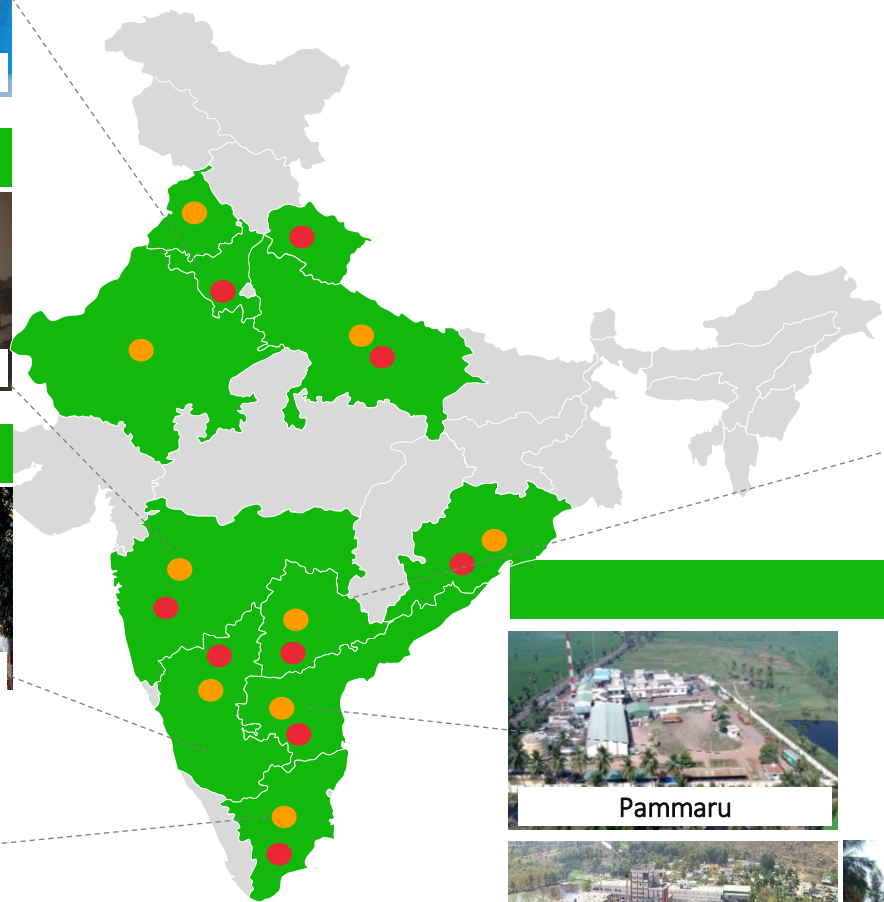


Yogurt - Mamie Yova
Heritage Novandie – Joint Venture

Geographical Footprint

Milk Procurement - 9 States

Milk and Milk Products Sales - 11 States



Haryana

Rai

Maharashtra

Sangvi

Manor

Karnataka

Yadavanahalli

Sindhanur

Tamil Nadu

Vadamadurai

Telangana

Kalluru

Market pally

Uppal

Shamirpet

Andhra Pradesh

Pammaru

Bayyavaram

B.Kothakota

Gokul

Bobbili

Battiprolu

Chittoor



Q4-FY23/FY23 Financial Overview



Q4-FY23/FY23 Consolidated Financial Highlights

Q4-FY23 Performance

INR 8,176 Mn Revenue from Operations	INR 419 Mn EBITDA	5.12% EBITDA Margin
INR 179 Mn PAT	2.19% PAT Margin	INR 1.93/Share Basic/Diluted EPS

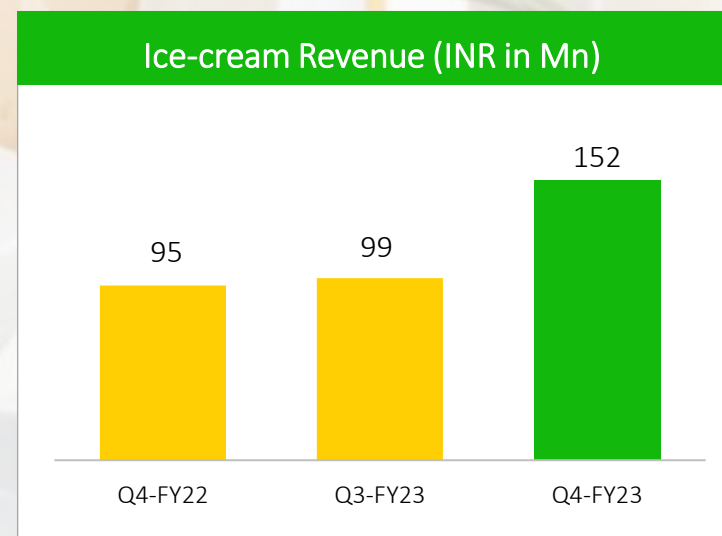
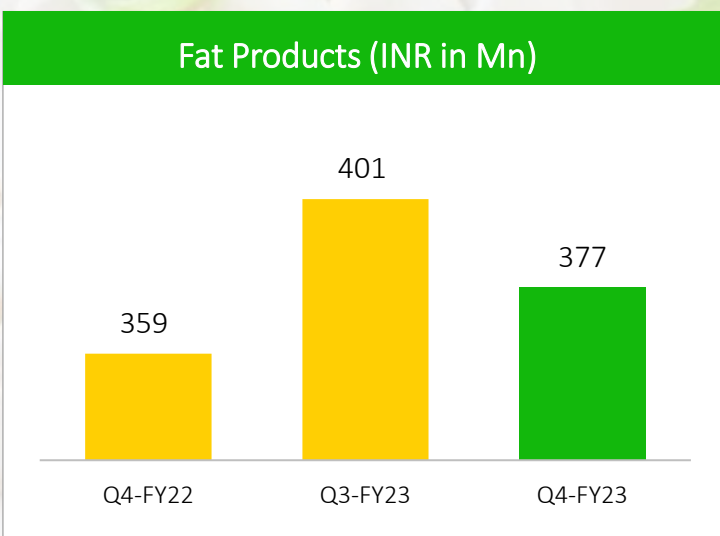
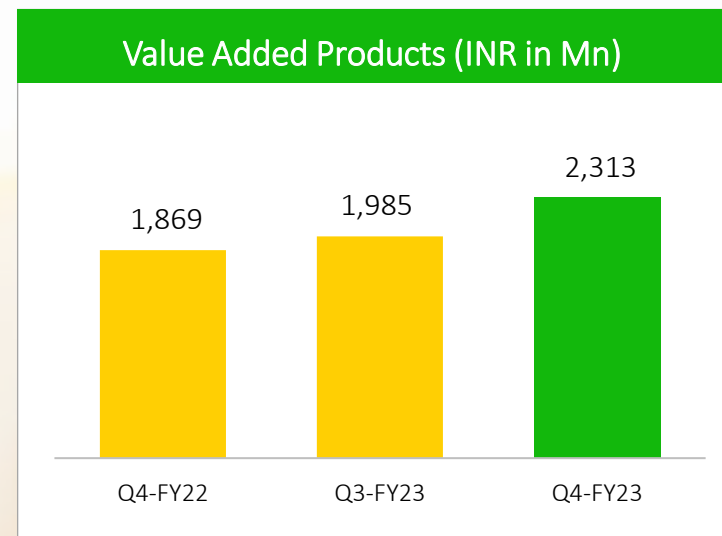
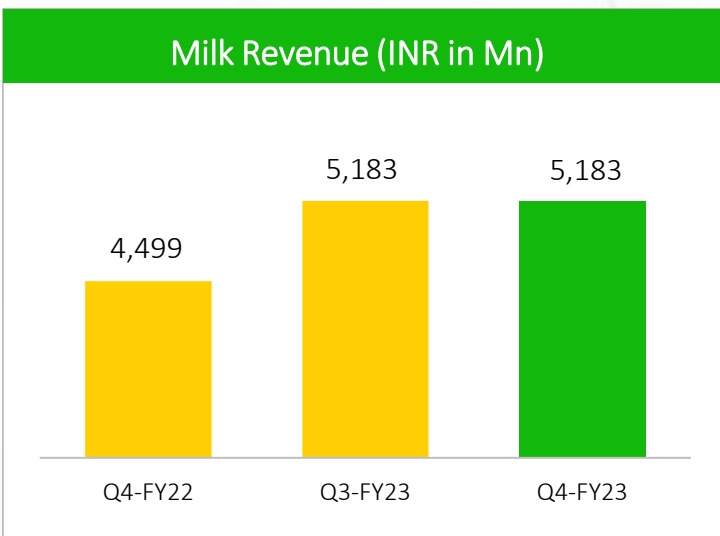
FY23 Performance

INR 32,407 Mn Revenue from Operations	INR 1,383 Mn EBITDA	4.27% EBITDA Margin
INR 580 Mn PAT	1.79% PAT Margin	INR 6.33/Share Basic/Diluted EPS

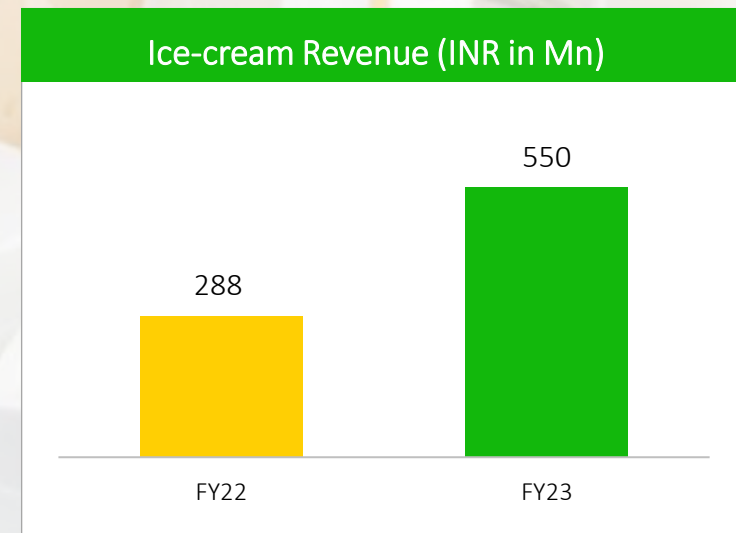
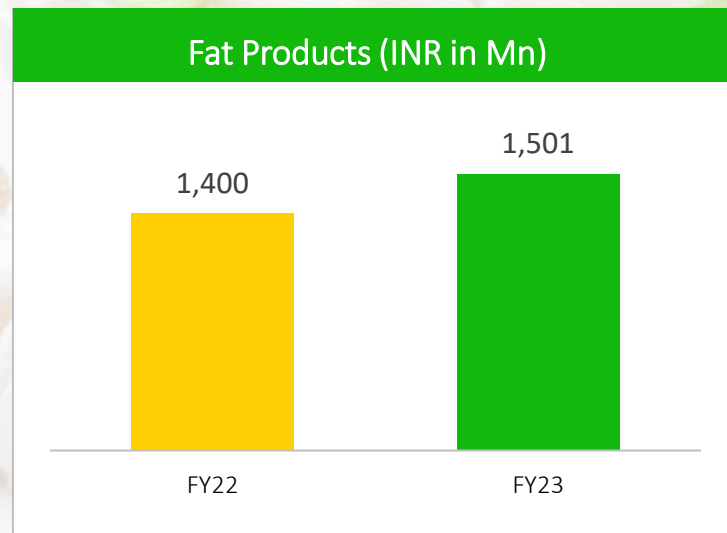
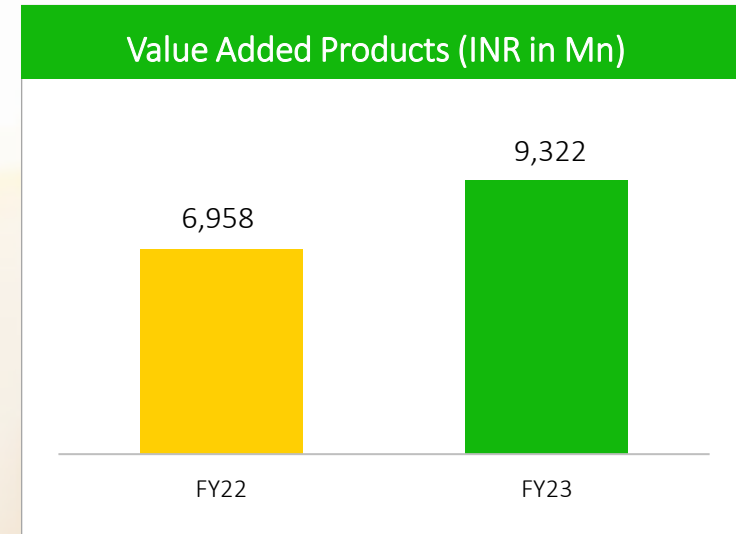
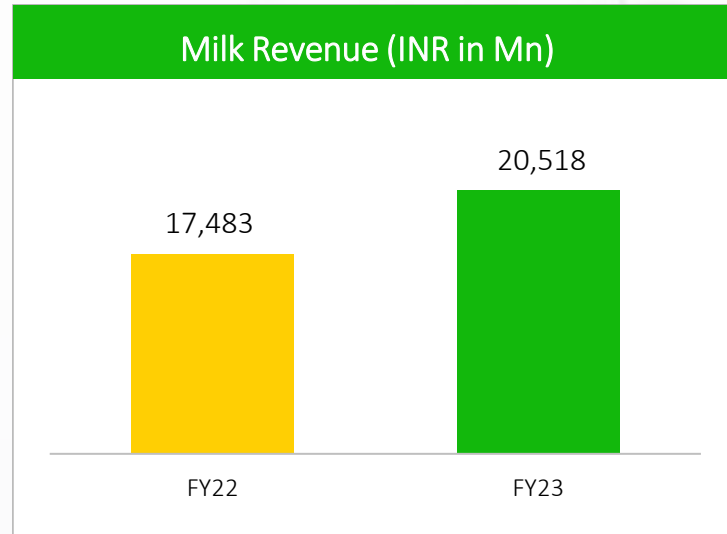
Operational Highlights

- Average milk procurement during Q4-FY23 was at 14.30 lakh litres per day (LLPD), compared to 12.16 LLPD in Q4-FY22; registering a growth of 18% YoY
- Q4 also saw continued strong momentum of Revenue from Value added products (VAP) registering a growth of 23.8% YoY to INR 2,313 million in Q4-FY23 compared to INR 1,869 million in Q4-FY22.
- Growth recorded was consistently strong across all four product clusters in value-added, viz. Dairy foods, Drinkables, Sweets and Ice-Creams.
- Margin profile improved y-o-y basis as well as q-o-q basis thanks to price correction and the execution of several cost-saving, value-creation initiatives across the value chain.
- Several new products launched during the quarter: GlucoShakti, a whey-based instant energy drink; a premium curd variant called Creamilicious Curd, 2 new flavors of milkshakes viz. Chocolate-Caramel and Cookie & Cream; A-One Spiced Buttermilk in cartons; and 2 new desi flavors of ice-lollies viz. Golgappa and Kalakhatta.
- Capex incurred worth INR 83.10 Cr during FY-23, mainly for procurement Chilling Capacity expansion and executing value-creation initiatives.

Quarterly Segmental Revenue



Annual Segmental Revenue



Q4-FY23 Marketing Updates

Heritage Total Curd - #MakesYourDay campaign

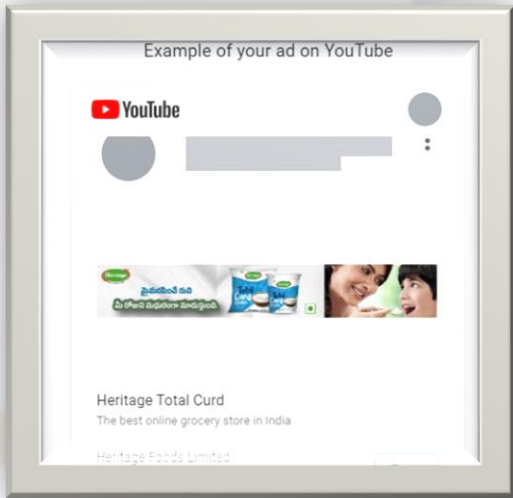
- Biggest 360 degree IMC Campaign was launched for Heritage Total Curd, the campaign theme being **'Heritage Curd Makes Your Day'**.
- For the first time, Heritage brand was on air and created impact through leading TV Channels in AP and Telangana viz. Star Maa, ETV Telugu & Gemini etc. Primetime slots taken in most popular serials & reality shows.
- In program integrations in reality shows also planned to build impact.



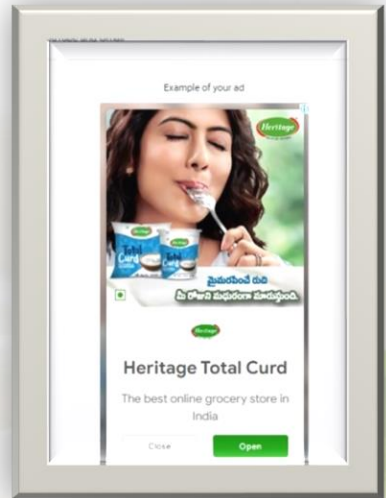
Q4-FY23 Marketing Updates



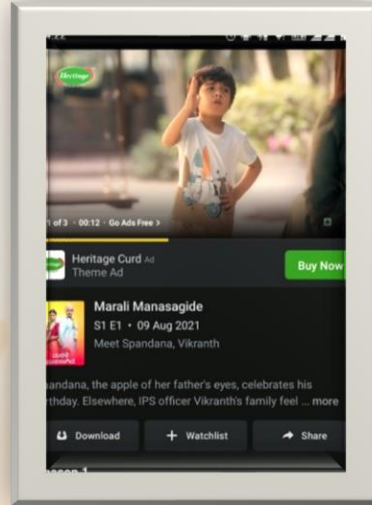
The Campaign has been promoted successfully on Digital via YouTube & Google Display Ads . Further ads in digital also supplemented with aggressive presence on leading OTT platforms like Hotstar, Voot and Sun Next.



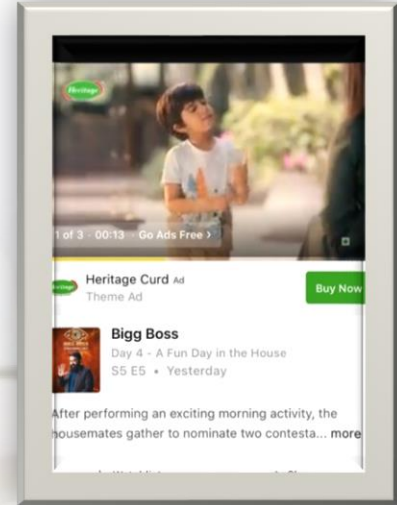
YouTube ads



Google display ads



Our commercial ad in OTT platforms



Q4-FY23 Marketing Campaigns



Visibility driven through impactful Outdoor media viz. Bus shelter, Metro Branding and On ground activations as well.



Outdoor hoarding and Bus shelters in Hyderabad, Chennai and Bangalore



Metro train interior branding in Chennai



Metro train Wrap branding in Hyderabad Metro to build impact



Door to Door Curd Sampling in Bangalore

Q4-FY23 Marketing Updates



Building preference for Heritage Cheese



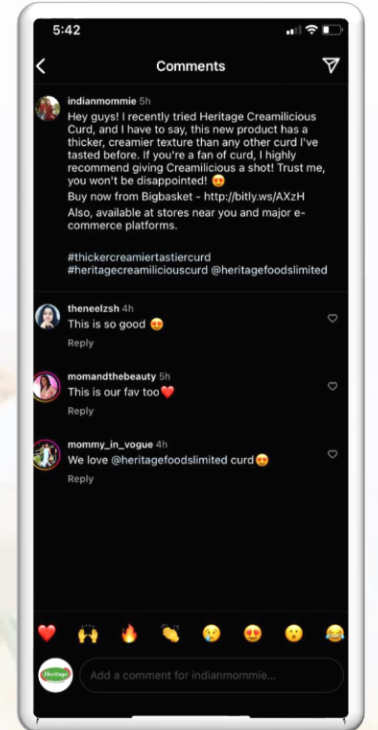
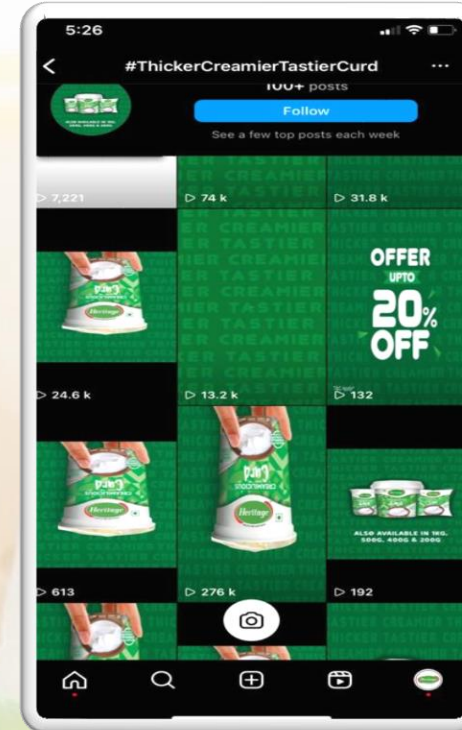
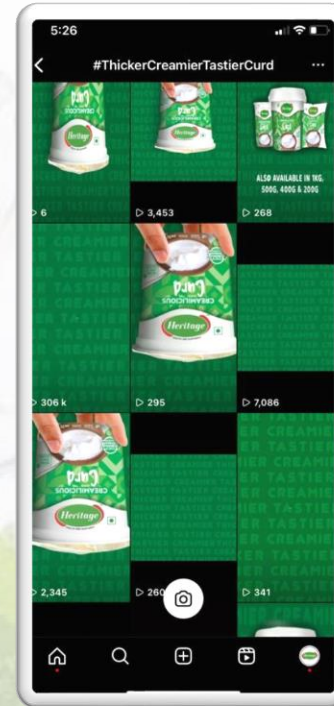
Bumper ad on Social media



To build quick awareness a bumper ad was specially run for Heritage cheese on YouTube.

To drive trials Heritage Cheese sampling was done across key MT Chains viz. Vijetha, Ratnadeep and Reliance for 4 weeks across Chennai and Hyderabad and 13000+ customer contacts were done.

Build quick awareness for Cremilicious Curd



To build quick awareness for newly launched Creamilicious Curd we tied up with mom influencers. We garnered ~ 7.5 million views through this activity and were able to achieve high impact at low cost.

Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q4-FY23	Q3-FY23	Q-o-Q	Q4-FY22	Y-o-Y
Operating Income	8,176	7,860	4.0%	6,959	17.5%
Expenses	7,757	7,534	3.0%	6,643	16.8%
EBIDTA	419	326	28.5%	316	32.8%
<i>EBIDTA Margins (%)</i>	<i>5.12%</i>	<i>4.15%</i>	<i>97 Bps</i>	<i>4.54%</i>	<i>58 Bps</i>
Depreciation	146	143	2.1%	135	8.1%
Finance Cost	24	5	418.5%	11	218.2%
Other Income	34	32	6.3%	25	36.0%
Share of Profit/(Loss) of an associate & Joint Venture	(25)	(20)	20.0%	(17)	41.2%
PBT from continuing operations	258	190	35.8%	178	44.9%
Tax	79	53	49.1%	52	51.9%
PAT from continuing operations	179	137	30.7%	126	42.1%
Profit/(Loss) from discontinued operations	-	-	NA	(2)	NA
Profit After Tax	179	137	30.7%	124	44.4%
<i>PAT Margins (%)</i>	<i>2.19%</i>	<i>1.75%</i>	<i>44 Bps</i>	<i>1.82%</i>	<i>37 Bps</i>
Other Comprehensive Income	(2)	0	NA	3	NA
Total Comprehensive Income	177	137	29.2%	127	39.4%
EPS Diluted (INR)	1.93	1.50	28.7%	1.39	38.8%

Annual Consolidated Financial Performance

Particulars (INR Mn)	FY23	FY22	Y-o-Y
Operating Income	32,407	26,813	20.9%
Expenses	31,024	24,905	24.6%
EBIDTA	1,383	1,908	(27.6)%
<i>EBIDTA Margins (%)</i>	<i>4.27%</i>	<i>7.12%</i>	<i>(285) Bps</i>
Depreciation	562	522	7.7%
Finance Cost	39	40	(2.5)%
Other Income	120	112	7.1%
Share of Profit/(Loss) of an associate & Joint Venture	(85)	(60)	41.7%
Exceptional Items	-	(91)	NA
PBT from continuing operations	817	1,307	(37.5)%
Tax	237	342	(30.7)%
PAT from continuing operations	580	965	(39.9)%
Profit/(Loss) from discontinued operations	-	(4)	NA
Profit After Tax	580	961	(39.6)%
<i>PAT Margins (%)</i>	<i>1.79%</i>	<i>3.58%</i>	<i>(179) Bps</i>
Other Comprehensive Income	(3)	(1)	NA
Total Comprehensive Income	577	960	(39.9)%
EPS Diluted (INR)	6.33	10.55	(40.0)%

Historical Financial Overview



Historical Consolidated Income Statement



Particulars (INR Mn)	FY19	FY20	FY21	FY22	FY23
Operating Income	25,148	27,259	24,731	26,813	32,407
Expenses	23,297	25,974	22,062	24,905	31,024
EBIDTA	1,851	1,284	2,669	1,908	1,383
EBIDTA Margins (%)	7.36%	4.71%	10.79%	7.12%	4.27%
Depreciation	447	501	462	522	562
Finance Cost	215	226	192	40	39
Fair Value Loss on FVTPL Securities	1,311	5,116	48	-	-
Other Income	90	89	80	112	120
Gain due to changes in fair value of derivative liabilities	1,311	2,945	-	-	-
Share of Profit/(Loss) of an associate & Joint Venture	(4)	(9)	(22)	(60)	(85)
Exceptional Items	-	-	-	(91)	-
PBT from continuing operations	1,275	(1,534)	2,025	1,307	817
Tax	447	153	535	342	237
PAT from continuing operations	828	(1,687)	1,490	965	580
Profit/(Loss) from discontinued operations	2	(7)	(7)	(4)	-
Profit After Tax	826	(1,694)	1,483	961	580
PAT Margins (%)	3.28%	(6.21)%	6.00%	3.58%	1.79%
Other Comprehensive Income	454	(1,712)	(21)	(1)	(3)
Total Comprehensive Income	372	(3,406)	1,462	960	577
EPS Diluted (INR) *	9.03	(18.51)	16.21	10.55	6.33

* EPS adjusted due to rights issue

Historical Consolidated Balance Sheet

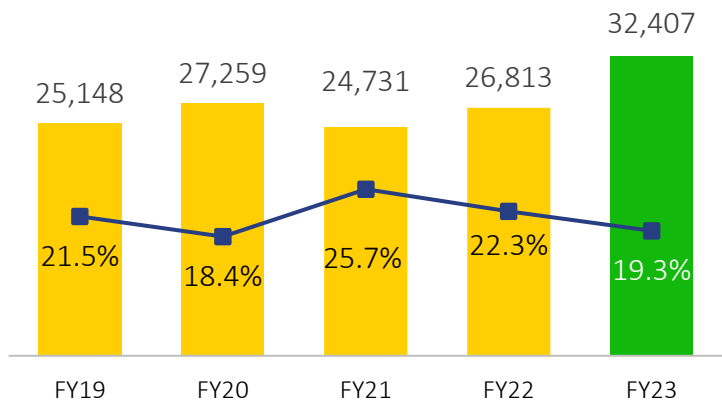


Particulars (INR Mn)	FY21	FY22	FY23
Equity And Liability			
Equity Share Capital	232	232	464
Reserve and Surplus	5,726	6,344	6,795
Shareholders Fund	5,958	6,576	7,259
Minority Interest	5	0	-
Total Equity	5,963	6,576	7,259
Non-Current Liabilities			
Long-term Borrowings	340	80	45
Deferred tax liabilities (net)	241	239	247
Other long term liabilities	162	305	554
Total non-current liabilities	743	624	846
Current Liabilities			
Short-term Borrowings	299	38	1,299
Trade payables	355	519	449
Other financial liabilities	1,194	1,035	1,031
Other current liabilities	231	234	366
Total current liabilities	2,079	1,826	3,145
Total Equity and Liability	8,785	9,026	11,250

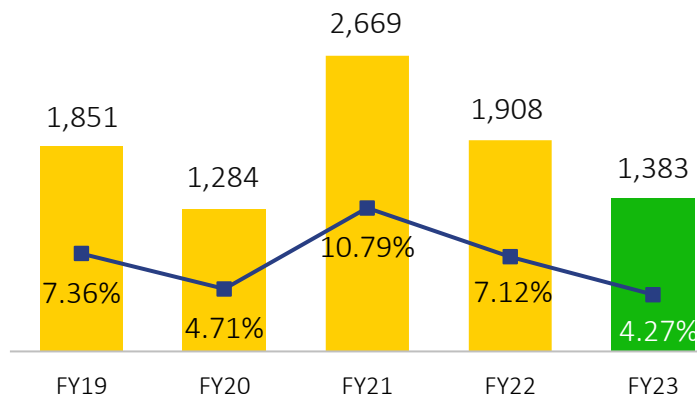
Particulars (INR Mn)	FY21	FY22	FY23
Assets			
Non-Current Assets			
Property, Plant and Equipment	5,714	5,705	6,133
Capital WIP	157	74	199
Investment Property	45	44	43
Other intangible assets	39	44	40
Intangible assets under development	26	6	1
Investment in Associate & Joint Venture	129	174	144
Financial assets	58	67	107
Other non-current assets	22	4	50
Total non-current assets	6,190	6,118	6,717
Current Assets			
Inventories	1,983	2,058	3,789
Investments	0	0	0
Trade Receivables	152	185	280
Cash & Bank Balances	236	356	192
Loans	9	1	0
Other Financial Assets	32	46	56
Other Current Assets	184	262	216
Total Current Assets	2,595	2,908	4,533
Total Assets	8,785	9,026	11,250

Historical Consolidated Financial Performance

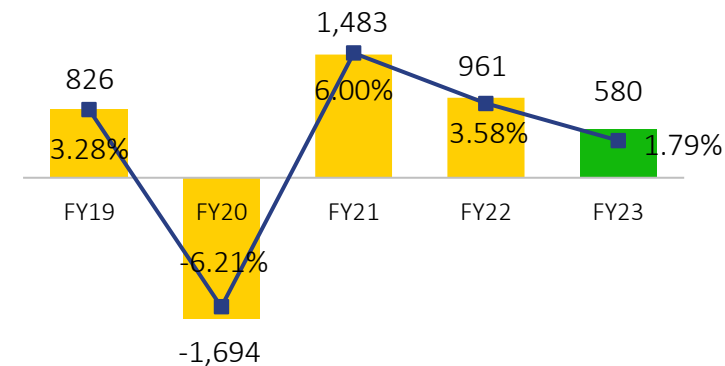
Revenue (INR Mn) & Gross Margins (%)



EBITDA (INR Mn) & Margins (%)

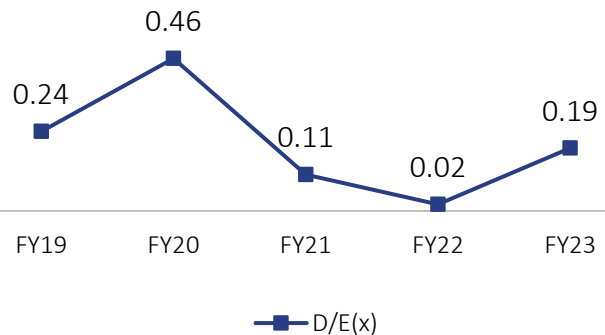


PAT (INR Mn) & Margins (%)

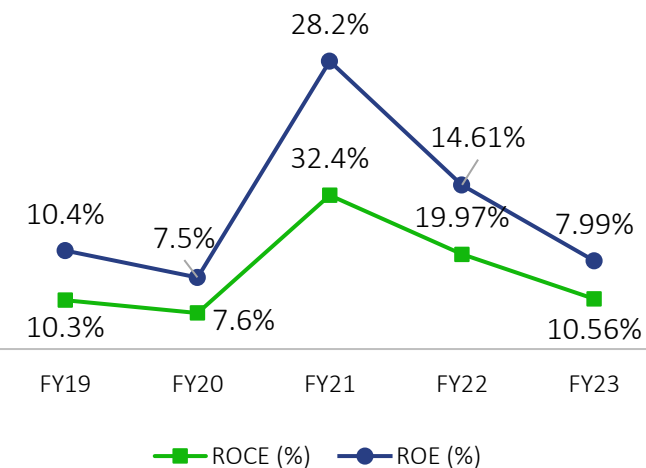


Note: The loss in FY20 was a one-time loss from selling the entire holding in Future Retail.

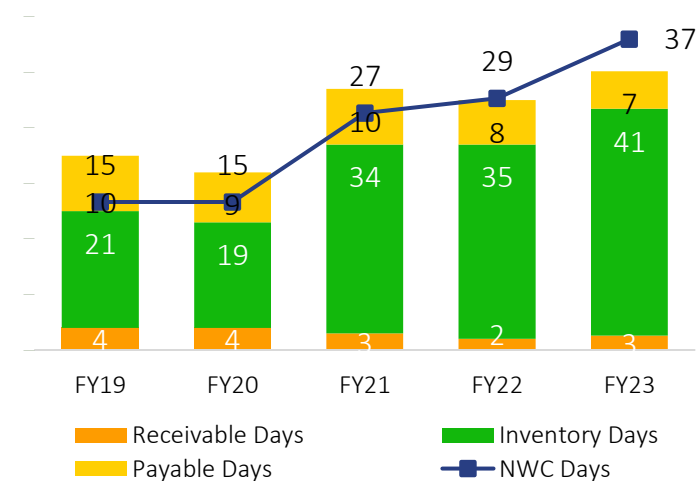
Leverage Ratio (x)



ROE & RoCE (%)



Working Capital Analysis



Capital Market Data

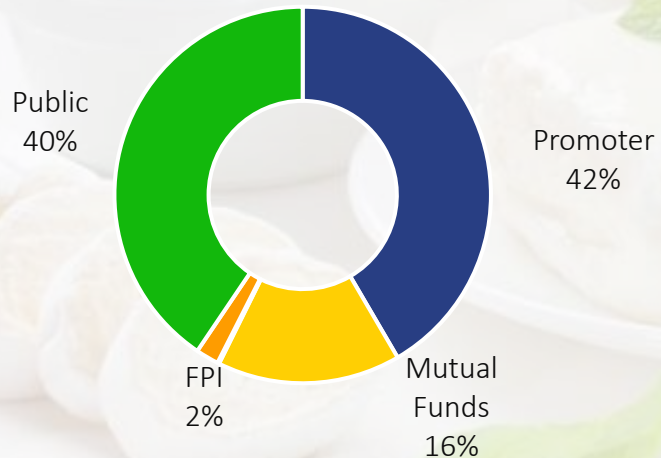
1 Year Stock Performance up to 31st March, 2023



Market Data as on 31st March, 2023

Shareholder	% Shareholding
Face Value	5.0
CMP	144.5
52 Week H/L	193.7 / 125.1
Market Capitalization (Mn)	13,404.4
Shares O/S (Mn)	92.8

Shareholding Pattern as on 31st March, 2023



Top Marquee Shareholders as on 31st March, 2023

Shareholder	% Shareholding
DSP Small Cap Fund	5.24
Kotak Mutual Fund	4.96
UTI Mutual Fund	2.93
Aditya Birla Sun Life Mutual Fund	1.37
IDFC Emerging Businesses Fund	0.88

Heritage Foods Limited:

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For further information please contact our Investor Relations Representative:



Mr. Anuj Sonpal
Valorem Advisors
Tel: +91-22-49039500
Email: heritage@valoremadvisors.com



Thank You
