

HERITAGE FOODS (INDIA) LIMITED

Regd. Office: 6 - 3 - 541/c, Adj. to NIMS, Punjagutta, Hyderabad - 500 082.

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2008

(Rs. In lakhs)

PARTICULARS	Nine Months Ended 31.12.2007	Quarter Ended 31.03.2008	Quarter Ended 31.03.2007	Audited Year Ended 31.03.2008	Audited Year Ended 31.03.2007
1. Net Sales / Income from Operations	42453.31	16350.13	9240.96	58803.44	34633.08
2. Other Income	401.22	12.53	39.07	413.75	122.48
3.Total Income (1+2)	42854.53	16362.66	9280.03	59217.19	34755.56
4. Expenditure:					
a. (Increase)/ Decrease in Stock in trade and work - in - progress	(429.85)	(407.20)	(1400.39)	(837.05)	(783.45)
b. Consumption of Materials	27910.34	10206.14	7457.19	38116.48	26866.35
c. Purchase of Traded Goods	6577.37	3487.92	698.12	10065.28	973.53
d. Employees cost	2463.81	1040.03	632.28	3503.84	1462.13
e. Depreciation	837.96	217.20	206.71	1055.16	677.68
f. Other expenditure	6645.40	2956.24	2192.50	9601.64	5019.93
g.Total	44005.03	17500.32	9786.41	61505.35	34216.17
5. Interest	859.43	383.85	88.01	1243.28	184.47
6. Exceptional Items	0.00	(3599.24)	0.00	(3599.24)	0.00
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5+6)	(2009.93)	2077.73	(594.39)	67.80	354.92
8. Tax expense	313.57	339.31	(142.10)	(25.74)	182.37
9.Net Profit(+)/Loss(-) from ordinary Activities after tax (7 -8)	(2323.50)	2417.03	(452.29)	93.54	172.55
10.Extraordinary Items (Net of tax expense)	91.31	(91.72)	141.08	(0.41)	141.08
11.Net Profit(+)/ Loss(-) for the period (9-10)	(2414.81)	2508.76	(593.37)	93.96	31.47
12. Paid-up Equity Share Capital	999.00	1152.95	999.00	1152.95	999.00
Face value of the Share (Rs.)	10.00	10.00	10.00	10.00	10.00
13. Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting year				10416.56	5931.27
14. Earnings per share (Rs.)					
a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(23.26)	23.84	(4.53)	0.92	1.73
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(24.17)	24.74	(5.94)	0.93	0.32
15.Public Share Holdings					
Number of shares	5235937	6260253	5235937	6260253	5235937
Percentage of shareholding	52.41	54.30	52.41	54.30	52.41

SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2008				(Rs.in lakhs)	
PARTICULARS	Nine Months Ended 31.12.2007	Quarter Ended 31.03.2008	Quarter Ended 31.03.2007	Audited Year Ended 31.03.2008	Audited Year Ended 31.03.2007
1. Segment Revenue					
a. Dairy	35830.52	12679.29	8631.00	48509.82	33983.44
b. Retail	6876.57	3844.51	628.23	10721.08	669.39
c. Agri	0.00	0.00		0.00	0.00
Total Segment Revenue	42707.10	16523.80	9259.23	59230.90	34652.83
Less: Inter Segment Revenue	253.78	173.67	18.28	427.46	19.75
Net Sales / Income from Operations	42453.31	16350.13	9240.95	58803.44	34633.08
2. Segment Results (Profit (+))/(Loss) (-) before tax and Interest)					
a. Dairy	1657.37	635.38	677.07	2292.95	1774.46
b. Retail	(2823.61)	(1742.42)	(1166.90)	(4566.03)	(1225.55)
c. Agri	(206.48)	68.19	(16.54)	(138.29)	(16.54)
Total Segment Results	(1372.73)	(1038.65)	(506.36)	(2411.38)	532.36
Less: i. Interest	859.43	383.85	88.01	1243.28	184.47
ii. Other un-allocable Expenditure net off					
Add: iii. Other un-allocable Income	222.24	3500.22	(0.00)	3722.46	7.03
Total Profit before Tax	(2009.92)	2077.72	(594.38)	67.80	354.92
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Dairy	10815.37	11681.37	11400.37	11681.37	11400.37
b. Retail	6972.51	7291.17	2536.71	7291.17	2536.71
c. Agri	3354.76	3333.85	1634.09	3333.85	1634.09
d. Un allocated	710.56	631.53	287.78	631.53	287.78
Total	21853.20	22937.92	15858.95	22937.92	15858.95

Notes:

- As per the Accounting Standard (AS) 17, the Company has identified Dairy, Retail and Agri segments, as the reportable segments. The segment wise results are given above.
- The Company has added 3 Retail stores in Hyderabad, 7 in Bangalore and 9 in Chennai during the Quarter, totalling to 70 stores upto 31st March, 2008.
- Exceptional items includes Profit on Sale of Assets of Rs.233.44 lakhs and Profit on sale of Investments of Rs.3365.79 lakhs during the quarter ended 31st March 2008.
- The Board of Directors of the Company has recommended dividend for the Financial Year 2007-08 @18% (Rs.1.80 per share) of the face value of Rs.10/- each.
- The Company has issued 10,00,000 Equity Shares of Rs. 10/- each to M/s Kotak India Focus Fund, at a price of Rs.350/- per Share during the Quarter ended 31st March, 2008.
- The Company has issued 8,00,000 Share warrants during the quarter convertible into equity of Rs.10/- each @ Rs.315/- per warrant allotted on preferential basis to the promoters.
- The Company has converted 5,39,500 Share warrants, each warrant convertible into one Equity Share of Rs.10/- each, issued to promoters at a price of Rs.256/- per Share, into Equity Shares of Rs. 10/- each during the quarter ended 31st March, 2008
- The above results for the Year ended 31st March 2008 were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 30th June, 2008.
- The status of investors complaints for the quarter ended March 31, 2008: pending as on January 1,2008 - Nil; Received and resolved during the quarter 115 ; lying unresolved as on March 31, 2008 - Nil.
- Figures of previous period(s) have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

**Sd/-
Vice Chairman & Managing Director**

**Date: June 30, 2008
Place: Hyderabad**