

HERITAGE FOODS (INDIA) LIMITED

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

UNAUDITED FINANCIAL RESULTS(PROVISIONAL) FOR THE QUARTER ENDED SEPTEMBER 30, 2007

(Rs.in lakhs)

PARTICULARS	STANDALONE				
	Quarter Ended		Half Year Ended		Year Ended 31.03.2007 Audited
	30.09.2007 Unaudited	30.09.2006 Unaudited	30.09.2007 Unaudited	30.09.2006 Unaudited	
1. Net Sales / Income from Operations	14418.15	8990.26	26648.10	17315.87	34633.08
2. Other Income	113.51	35.19	147.05	65.12	122.48
3.Total Income (1+2)	14531.66	9025.45	26795.15	17380.99	34755.56
4. Expenditure:					
a. (Increase)/ Decrease in Stock in trade and work in progress	(115.01)	1103.13	132.22	1356.11	(783.45)
b. Consumption of Materials	9480.18	6192.30	17591.26	12678.54	26866.35
c. Purchase of Traded Goods	2192.86		3744.39		973.53
d. Employees cost	840.45	271.88	1480.88	532.65	1462.13
e. Depreciation	289.59	154.53	545.07	307.80	677.68
f. Other expenditure	2330.07	979.94	4097.53	1880.81	5019.93
g.Total	15018.14	8701.78	27591.35	16755.91	34216.17
5. Interest	335.25	30.83	525.98	58.72	184.47
6. Exceptional Items	0.00	0.00	0.00	0.00	0.00
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5+6)	(821.73)	292.84	(1322.18)	566.36	354.92
8. Tax expense	88.67	102.30	148.55	189.67	182.37
9.Net Profit(+)/Loss(-) from ordinary Activities after tax (7 -8)	(910.39)	190.54	(1470.72)	376.69	172.55
10.Extraordinary Items (Net of tax expense Rs.)	6.31	1.37	53.84	1.37	141.08
11.Net Profit(+)/ Loss(-) for the period (9-10)	(916.71)	189.17	(1524.57)	375.32	31.47
12. Paid-up Equity Share Capital	999.00	999.00	999.00	999.00	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					5931.27
14. Earnings per share (Rs.)		1.89		3.76	1.73
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)					
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)					
15.Public Share Holdings					
Number of shares	5235937	5340098	5235937	5292407	5235937
Percentage of shareholding	52.41	52.98	52.41	52.98	52.41

CONSOLIDATED				
Quarter Ended		Half Year Ended		Year Ended 31.03.2007 Audited
30.09.2007 Unaudited	30.09.2006 Unaudited	30.09.2007 Unaudited	30.09.2006 Unaudited	
14418.15	8990.26	26648.10	17315.87	34633.08
115.25	35.19	150.82	65.12	128.97
14533.40	9025.45	26798.92	17380.99	34762.05
(115.01)	1103.13	132.22	1356.11	(783.45)
9480.18	6192.30	17591.26	12678.54	26866.35
2192.86	0.00	3744.39	0.00	973.53
840.45	271.88	1481.10	532.65	1467.81
289.59	154.53	545.07	307.80	677.68
2330.14	979.94	4097.78	1880.81	5028.42
15018.21	8701.78	27591.82	16755.91	34230.34
335.25	30.83	525.98	58.72	184.48
0.00	0.00	0.00	0.00	0.00
(820.06)	292.84	(1318.88)	566.36	347.23
88.67	102.30	148.55	189.67	182.37
(908.73)	190.54	(1467.43)	376.69	164.86
6.31	1.37	53.84	1.37	141.08
(915.04)	189.17	(1521.27)	375.32	23.78
999.00	999.00	999.00	999.00	999.00
10.00	10.00	10.00	10.00	10.00
				5927.35
				3.77
				1.65
5235937	5340098	5235937	5340098	5235937
52.41	52.98	52.41	53.45	52.41

SEGMENT REPORTING FOR THE QUARTER ENDED 30th SEPTEMBER, 2007					
PARTICULARS	STANDALONE				
	Quarter Ended		Half Year Ended		Year Ended
	30.09.2007 Un Audited	30.09.2006 Un Audited	30.09.2007 Un Audited	30.09.2006 Un Audited	31.03.2007 Audited
1. Segment Revenue					
a. Dairy	12138.31	8990.26	22946.39	17315.88	33983.44
b. Retail	2361.78	0.00	3829.60	0.00	669.39
c. Agri	0.00	0.00	0.00	0.00	0.00
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Revenue	14500.09	8990.26	26775.99	17315.88	34652.83
Less: Inter Segment Revenue	81.95	0.00	127.90	0.00	19.75
Net Sales / Income from Operations	14418.14	8990.26	26648.09	17315.88	34633.08
2. Segment Results (Profit (+) / (Loss) (-) before tax and Interest)					
a. Dairy	552.40	323.67	1006.88	559.96	1661.04
b. Retail	(1086.77)	0.00	(1834.61)	0.00	(1227.59)
c. Agri	(65.62)	0.00	(115.52)	0.00	(16.54)
d. HIDL	0	0.00	0.00	0.00	0.00
Total Segment Results	(599.99)	323.67	(943.25)	559.96	416.91
Less: I. Interest	335.25	30.83	525.98	58.72	184.47
ii. Other un-allocable Expenditure net off					
iii. Other un-allocable Income	113.51		147.05	65.12	122.48
Total Profit before Tax	(821.73)	292.84	(1322.18)	566.36	354.92
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Dairy	10337.62	8157.65	10337.62	8157.65	11400.37
b. Retail	5726.38	0.00	5726.38	0.00	2536.71
c. Agri	2921.51	0.00	2921.51	0.00	1634.09
d. HIDL	0.00	0.00	0.00	0.00	0.00
e. Un allocated	340.86	0.00	340.86	0.00	287.78
Total	19326.37	8157.65	19326.37	8157.65	15858.95

(Rs.in Lakhs)					
CONSOLIDATED					
PARTICULARS	Quarter Ended		Half Year Ended		Year Ended
	30.09.2007 Un Audited	30.09.2006 Un Audited	30.09.2007 Un Audited	30.09.2006 Un Audited	31.03.2007 Audited
	1. Segment Revenue				
a. Dairy	12138.31	8990.26	22946.39	17315.88	33983.44
b. Retail	2361.78	0.00	3829.60	0.00	669.39
c. Agri	0.00	0.00	0.00	0.00	0.00
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Revenue	14500.09	8990.26	26775.99	17315.88	34652.83
Less: Inter Segment Revenue	81.95	0.00	127.90	0.00	19.75
Net Sales / Income from Operations	14418.14	8990.26	26648.09	17315.88	34633.08
2. Segment Results (Profit (+) / (Loss) (-) before tax and Interest)					
a. Dairy	552.40	323.67	1006.88	559.96	1661.04
b. Retail	(1086.77)	0.00	(1834.61)	0.00	(1227.59)
c. Agri	(65.62)	0.00	(115.52)	0.00	(16.54)
d. HIDL	0	0.00	0.00	0.00	0.00
Total Segment Results	(599.99)	323.67	(943.25)	559.96	416.91
Less: I. Interest	335.25	30.83	525.98	58.72	184.47
ii. Other un-allocable Expenditure net off					
iii. Other un-allocable Income	113.51		147.05	65.12	122.48
Total Profit before Tax	(821.73)	292.84	(1322.18)	566.36	354.92
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Dairy	10337.62	8157.65	10337.62	8157.65	11400.37
b. Retail	5726.38	0.00	5726.38	0.00	2536.71
c. Agri	2921.51	0.00	2921.51	0.00	1634.09
d. HIDL	0.00	0.00	0.00	0.00	0.00
e. Un allocated	340.86	0.00	340.86	0.00	287.78
Total	19596.76	8157.65	19596.45	8428.85	16127.85

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 Five Retail stores in Hyderabad, Six in Bangalore and Three in Chennai, totalling to 38 stores up to the Quarter ended 30th september 2007.
- The Company has added one more milk procurement, processing and packing station at Sanghvi and one chilling center at Malwadi in Maharashtra State and one milk chilling center at Bobbili in Vijayanagaram District in Andhra Pradesh during the quarter ended september 30, 2007.
- The Company has started its Retail Rural operations distributions through Dairy Plants during the Quarter.
- The operating profit of the Dairy business has increased by 67.16% during the quarter ended September 30, 2007 when compared to that of corresponding quarter of the previous year.
- The Company has been expanding the Retail Chain which are yet to reach the optimum level of operations and start up expenses have been charged to revenue as per the Accounting Standard (AS) 26.
- The consolidated financial results includes financial results of Heritage Infradevelopers Limited(HIDL) a Subsidiary Company of Heritage Foods India Limited in which, the Company has 51% Equity stake and the Subsidiary Company is yet to commence its operations.
- The Statutory Auditors have conducted a limited Review of Accounts for the aforesaid period.
- The above results for the Quarter ended September 30th 2007 were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on October 30th,2007.
- The status of investors complaints for the quarter ended September 30, 2007: pending as on July 1,2007 -Nil; Received and resolved during the quarter 706 ; lying unresolved as on September 30, 2007 -Nil.
- The company has declared and paid the dividend for the year 2006-2007 @ 30% (Rs3/- per share) on 9990000 Equity Shares of Rs.10/-each.
- Figures of previous period(s) have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

Vice Chairman & Managing Director

Date: 30th October 2007
Place: Hyderabad