



**CODE OF PRACTICES AND PROCEDURES FOR
FAIR DISCLOSURE OF UNPUBLISHED PRICE
SENSITIVE INFORMATION**

HERITAGE FOODS LIMITED
CIN: L15209TG1992PLC014332
An ISO: 22000 Certified Company
Regd Off: 6-3-541/c, Panjagutta, Hyderabad-
Telangana, 500082, India
Tel: +91-4023391221/222, Fax: 30685458
Email: hfl@heritagefoods.in
Website: www.heritagefoods.in

Table of Contents:

1. Introduction.	1
2. Objective.....	1
3. Definitions.	1
4. Legitimate Purpose for sharing of unpublished price sensitive information.....	2
5. Principles of Fair Disclosure... ..	2
6. Scope and Limitation	3
7. Annexure I	4

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (Framed under regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015)

I. Introduction:

The Securities and Exchange Board of India (“SEBI”), in its endeavor to put in place a framework for prohibition of insider trading in securities and to ensure fair disclosure of unpublished price sensitive information had notified SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. In terms of Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of Heritage Foods Limited (herein after called “**the Company**”) has formulated this “**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**” (hereinafter referred to as “the Code”) in order to adhere to each of the principles set out in Schedule A to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

II. Objective:

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. Accordingly, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been formulated with a view to maintain uniformity, transparency and fairness in dealing with all stakeholders and to ensure timely, fair and adequate disclosure of unpublished price sensitive information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company’s securities.

III. Definitions:

1. “**Code**” or “**this Code**” shall mean this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;
2. “**Company**” means Heritage Foods Limited
3. “**Chief Investor Relations Officer**” means the Company Secretary & Compliance Officer or any other person duly authorized by the Board of the Company to deal with dissemination of information and disclosure of unpublished price sensitive information (UPSI)
4. “**Unpublished Price Sensitive Information**” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –
 - i. financial results;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting’s, disposals and expansion of business and such other transactions;
 - v. changes in key managerial personnel.

Any other terms not specifically defined here shall have the same meaning as assigned under the Policy of Prohibition of Insider Trading of Heritage Foods Limited, and the Insider Trading Regulations.

5. **“Legitimate purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, credit rating agencies, bankers or such other person as may be decided by the compliance officer, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.
6. **“Regulations”** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendment from time to time.
7. **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
8. **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
9. **“generally available information”** means information that is accessible to the public on a non-discriminatory basis;
10. **“Insider”** means any person who is:
 - i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information;

IV. Legitimate Purpose for sharing of unpublished price sensitive information:

The sharing of UPSI shall be considered as for legitimate purposes, if it in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, or it is shared pursuant to a statutory or regulatory obligation to carry out a bona fide transaction, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the regulations, this code or the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives.

The policy for Determination of Legitimate Purpose in terms of regulation 3(2A) of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 is attached at Annexure I.

V. Principles of Fair Disclosure for purpose of code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information:

The Heritage Foods Limited (herein after called **“the Company”**) shall adhere to the following item of code of practices so as to ensure timely and adequate disclosure of price sensitive information with respect to it or its securities which is likely to affect price of the securities.

1. The Company shall promptly make public disclosure of unpublished price sensitive information as soon the information or the decisions are validated by the Board to Stock Exchanges where the shares are listed and simultaneously upload such information on Company's official website www.heritagefoods.in in order to make such information generally available to investors and members of the Company.
2. The Company shall make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. The Company Secretary & Compliance Officer is designated as Chief Investor Relations Officer to take all required action for dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide appropriate and fair response to queries on news reports and request for verification of market rumors by regulatory authorities.
6. The Company shall ensure that information if any shared with analysts and research personnel is not unpublished price sensitive information.
7. The Company shall take reasonable steps, to make generally available, any discussion on un-published price sensitive information at the meeting of analyst or investors relations through the official website to ensure official confirmation and indiscriminate disclosure.
8. Unpublished price sensitive information shall be handled on a "need to know" basis, i.e., unpublished price sensitive information shall be disclosed only to those within the Company who need the information to discharge their duty.

VI. Scope and Limitation

In the event of any conflict between the provisions of this Policy and the Listing Regulations/Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulations/Companies Act, 2013 or statutory enactments, rules shall prevail over this policy.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE

[Framed under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended]

INTRODUCTION:

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

The Board of Directors of the Company has prepared the policy in terms of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

OBJECTIVE:

The objective of this policy is to identify 'Legitimate Purposes' in order to regulate and monitor the communication of Unpublished Price Sensitive Information (UPSI) for legitimate business purpose in the best interest of the company and to ensure that such information is shared on "need to Know" basis and not misused by the recipient thereof

SHARING OF UNPUBLISHED PRICE SENSITIVE INFORMATION PURSUANT TO A LEGITIMATE PURPOSE:

No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations

In following cases for sharing of UPSI would be considered as legitimate purpose:

- I. As part of compliance with applicable laws or for investigation, inquiry or request for information under any proceedings or pursuant to any order of courts or tribunals or by any statutory or governmental authorities or any other administrative body under any law. Any event or information as prescribed under Part A of Schedule III under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time; and
- II. Arising out of any contractual obligations or arrangement entered into by the Company set forth in any contract, agreement, arrangement, understanding or undertaking etc.
- III. Sharing of UPSI for any activities such as due-diligence for any kind of restructuring, namely mergers & acquisitions, joint venture agreements, share purchase agreements, franchisee agreement, etc.
- IV. Sharing the relevant UPSI with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors (Statutory Auditors, Secretarial Auditors, Internal Auditors, Cost auditor), Investor Relation and Financial Public Relations Agencies, insolvency professionals, business support agents, transaction processing service providers in order to avail professional services from them.
- V. Sharing the relevant UPSI with business partners is essential to fulfil the terms and conditions of a business contract with a client, vendor, collaborator, JV Partner or lender.
- VI. Sharing the relevant UPSI for advice, consultation, Technology and transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business.

- VII. The sharing of UPSI shall be in connection with business plans/corporate actions of the Company relating to the operations, diversification, expansion, restructuring, promotion of business strategies, launching of new products and acquisitions, mergers, divestments, rights issue or any other transaction(s)/ corporate action(s)

The above are illustrative list not the exhaustive one. Same or similar nature of activities for sharing of UPSI are treated as legitimate purpose

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

PROCESS FOR SHARING UPSI

The insider shall conduct the following steps while sharing UPSI:

- i. Satisfy that information is UPSI and sharing is for legitimate purpose
- ii. Identify the persons with whom the information is to be shared
- iii. Notify the recipient that UPSI is being shared and enter into a confidentiality/nondisclosure agreement.
- iv. Maintain names of the persons along with PAN (or any other identifier where PAN is not available) with whom information is shared. The database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This database shall be kept confidential.

STRUCTURAL DIGITAL DATABASE:

Structured digital database is required to be maintained by the Company containing:

- a. the nature of unpublished price sensitive information;
- b. the names of such persons who have shared the information; and also the names of such persons with whom information is shared under this regulation;
- c. along with his Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available

The said database is to be maintained internally with adequate internal controls and checks such as time stamping and audit trials to ensure non-tampering of such database.

The structured digital database is to be preserved for a period of:

- a. not less than eight (8) years after completion of the relevant transaction(s); and
- b. In the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings- till the completion of such proceedings.

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS:

The Company shall require the parties with whom UPSI is shared for legitimate purpose to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not trade in securities of the Company when in possession of unpublished price sensitive information.

NON-DISCLOSURE AGREEMENT:

While sharing UPSI for “legitimate purpose”, the company should sign a confidentiality/ nondisclosure agreement with, the person with whom UPSI is shared, and such persons shall maintain confidentiality and ensure compliance with the PIT Regulations while in possession of UPSI shared.