



**POLICY AND PROCEDURE OF INQUIRY IN  
CASE OF LEAK OR SUSPECTED LEAK OF  
UNPUBLISHED PRICE SENSITIVE  
INFORMATION (“UPSI”)**

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**POLICY AND PROCEDURE OF INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSIS”)**

*[Under Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended]*

**1. INTRODUCTION**

This Policy and Procedure for Inquiry in case of Leak or Suspected Leak of Unpublished Price Sensitive Information (“Policy”) has been formulated by Heritage Foods Limited (“Company”) in pursuance of regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended (“Regulations”)

**2. BACKGROUND:**

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. The Board of Directors of the Company has prepared the policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (“the Policy”), in terms of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

**3. PURPOSE**

The Policy aims to provide a framework for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information. However, any instances of leak or suspected leak of Unpublished Price Sensitive Information reported under the Whistle Blower Policy of the Company shall be dealt with as per and under the Whistle Blower Policy of the Company

**4. OBJECTIVES:**

- i. To strengthen the internal control system to prevent leak of UPSI.
- ii. To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the Company and which affects the market price of the Company’s securities as well as loss of reputation and investors’ / financiers’ confidence in the Company.
- iii. To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, firm, company or Body Corporate.
- iv. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the SEBI promptly.

To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy,

**5. SCOPE:**

To lay procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

**6. DEFINITIONS:**

A. **“Competent Authority”** means:

- i. the Managing Director, in case of leak or suspected leak of UPSI involving any person other than the Director(s) of the Company;
- ii. the Chairperson of the Audit Committee of the Company, in case of leak or suspected leak of UPSI involving any Director of the Company other than the Chairperson of the Audit Committee of the Company; and
- iii. Chairperson of the Board of Directors of the Company, in case of leak or suspected leak of UPSI involving Chairperson of the Audit Committee of the Company;

B. **“Chief Investor Relation Officer (CIO)”** shall mean the Compliance Officer of the Company

C. **“Leak /Suspected Leak of UPSI”** shall mean communication or sharing / disclosing of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known person without following the due process prescribed in this behalf in the Code of Practices for Fair Disclosure of the Company , under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ,SEBI (Prohibition of Insider Trading) Regulations, 2015 or act / circumstance(s) by virtue of which an UPSI is made available or becomes available not being for a legitimate purpose by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof for which the said person enjoys undue advantages/financial gain or loss.

D. **“Unpublished Price Sensitive Information” or “UPSI”** means any information, relating to the 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; and
- v. Changes in key managerial personnel.

**7. DUTIES OF CHIEF INVESTOR RELATIONS OFFICER:**

The CIRO shall be responsible for the followings:

- a. Oversee the Compliance of this policy.
- b. On becoming aware about the incident of actual or suspected leak of UPSI, promptly intimate the Enquiry Committee/Competent authority as appointed by the Board of Directors from time to time along with the relevant facts for initiating appropriate inquiries.
- c. Intimate to the Board of Directors of such results of such inquiries.
- d. Intimate to the SEBI and Stock Exchanges of results of such inquiries if any.

**8. DISCLOSURE OF ACTUAL OR SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES & SEBI:**

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIRO shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed and to the SEBI.

**9. INQUIRY PROCEDURE**

Inquiry under this policy shall commence based on a information/complaint received from any employee, support staff, department of the Company, Registrar and Share Transfer Agent, Designated Person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory /statutory authority or any other department of Central or State Government.

- i. The information/complaint(s) regarding leak or suspected leak of UPSI will be reviewed by the Competent Authority. If an initial review by the Competent Authority indicates that the said information/complaint has no basis or it is not a matter to be investigated under this Policy, it may be dismissed at initial stage and the decision shall be documented. All such cases shall be reported to the Audit Committee in its next meeting.
- ii. The Managing Director of the Company or the Chairperson of the Audit Committee or Chairperson of the Board of Directors may suo-moto initiate an inquiry under this Policy.
- iii. Where initial inquiry indicates that further investigation is necessary, the Competent Authority shall make further investigation in such matter and may, where necessary, provide an update to the Board of Directors in this regard. The Competent Authority may appoint one or more person(s)/entity(ies) (including external consultant(s)) to investigate or assist in the investigation of any instance of leak or suspected leak of UPSI and such person(s)/entity(ies) shall submit his / her/ their report to the Competent Authority. During the course of investigation, the Competent Authority or the person(s) / entity(ies) appointed by the Competent Authority, as the case may be, may collect documents, evidences and record statements of the person(s) concerned.
- iv. The investigation shall be a neutral fact-finding process. The Competent Authority shall endeavor to complete the investigation within 45 days of the receipt of the information / complaint of leak or suspected leak of UPSI or such instance coming to the knowledge of Competent Authority, as the case may be.

## **HFL Policy and Procedure of inquiry of leak of UPSI**

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Where the Competent Authority requires additional time to complete the inquiry, it may, where necessary, provide an interim update to the Board of Directors.

### **10. DOCUMENTATION AND REPORTING**

The Competent Authority will make a detailed written record of investigation of each instance of leak or suspected leak of UPSI. The record will include:

- a) Facts of the matter
- b) Findings of the investigation.
- c) Disciplinary/other action(s) to be taken against any person.
- d) Any corrective actions required to be taken.
- e) The details of inquiries made in these cases and results of such inquiries shall be informed to the Audit Committee and Board of Directors of the Company.

Further, the Company shall inform Securities and Exchange Board of India promptly the results of such inquiries.

### **11. AMENDMENT:**

The Board of Directors of the Company, in sync with applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy. This Code shall be published on the official website of the Company. Subsequent modification(s)/amendment(s) to SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereto shall automatically apply to this Code.