

FREQUENTLY ASKED QUESTIONS

RIGHTS ISSUE OF EQUITY SHARES BY HERITAGE FOODS LIMITED

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the rights issue of equity shares of HERITAGE FOODS LIMITED (“Company”) (“Issue” or “Rights Issue”) in terms of the letter of offer dated January 13, 2023 (“Letter of Offer”), submitted to the Securities and Exchange Board of India (“SEBI”) and filed with the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). These FAQs are not exhaustive, nor do they purport to contain a summary of all the disclosures in the Letter of Offer or the entire application process in the Issue or all details relevant to prospective investors (“Investors”). Further, these FAQs should be read in conjunction with, and are qualified in their entirety by, more detailed information appearing in the Letter of Offer, including the sections “Notice to Overseas Investors”, “Risk Factors” and “Terms of the Issue” on pages 14, 32 and 260 respectively, of the Letter of Offer. Readers are advised to refer to the Letter of Offer which is available on the website of the Registrar (<https://rights.kfintech.com>), Company (www.heritagefoods.in), SEBI (www.sebi.gov.in) and Stock Exchanges (www.bseindia.com and www.nseindia.com). Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the letter of offer dated January 13, 2023 (“Letter of Offer”).

1. What are the details of the Issue?

Equity Shares being offered by the Company	Issue of up to 4,63,98,000 Fully paid-up Equity Shares with a face value of ₹5 each (“Rights Equity Shares”)
Issue Size*	Aggregate Amount of ₹2319.9 Lakhs
Rights Entitlements	Ratio of 1 (One) Rights Equity Share for every 1 (One) fully paid-up Equity Shares held on the Record Date
Record Date	Friday, January 20, 2023
Issue Price	₹5 per Rights Equity Share

* Assuming full subscription

2. What is the Rights Issue schedule?

Last Date for credit of Rights Entitlements	Tuesday, January 24, 2023
Issue Opening Date	Monday, January 30, 2023
Last Date for On Market Renunciation [#]	Wednesday, February 8, 2023
Issue Closing Date*	Monday, February 13, 2023
Finalisation of Basis of Allotment (on or about)	Monday, February 20, 2023
Date of Allotment (on or about)	Tuesday, February 21, 2023
Date of Credit (on or about)	Thursday, February 23, 2023
Date of Listing (on or about)	Monday, February 27, 2023

[#] Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or a duly authorized committee thereof may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

3. What is the Rights Entitlement Ratio?

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 Rights Equity Share for every 1 fully paid-up Equity Share held by the Eligible Equity Shareholders on the Record Date.

4. What is the amount to be paid at the time of submitting the Application Form?

Issue Price of Rights Equity Shares is ₹5 per Rights Equity Share. Amount payable at the time of Application is ₹5 per Rights Equity Share in respect of the Rights Equity Shares applied in the Issue at the Issue Price.

5. What are Rights Entitlements?

Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, i.e., Friday, January 20, 2023, being 1 Rights Equity Share for every 1 fully paid-up Equity Share held by an Eligible Equity Shareholder as on Record date

The Registrar has sent the Rights Entitlement Letter along with the Abridged Letter of Offer and Application Form to all Eligible Equity Shareholders, through email or physical dispatch, which contain details of their Rights Entitlements based on the shareholding as on the Record Date.

Further, the Eligible Equity Shareholders can also obtain the details of their Rights Entitlements from the website of the Registrar (<https://rights.kfintech.com>) by entering their DP ID, Client ID / Folio No. and PAN.

6. How are Rights Entitlements (REs) issued?

Rights Entitlements (REs) are issued in dematerialised form only under a separate ISIN i.e., INE978A20019.

7. What happens to Rights Entitlements (REs) which are neither subscribed nor renounced on or before the Issue Closing Date?

Rights Entitlements (REs) which are neither subscribed nor renounced on or before the Issue Closing Date shall be lapsed and extinguished after the Issue Closing Date.

8. How will the Basis of Allotment be decided?

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to

them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be “unsubscribed” for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.

9. How can an Eligible Equity Shareholder access the details of his respective Rights Entitlement?

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of the Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., Friday, January 20, 2023, are entitled to the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (<https://rights.kfintech.com>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of the Company (www.heritagefoods.in).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialized form. If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

The Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the email addresses as well as to the physical addresses of Eligible Equity Shareholders who have provided an Indian address to the Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of the Company to the Eligible Equity Shareholders who have provided their Indian addresses to the Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, our

Company and the Lead Manager through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchanges' websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

10. What are fractional entitlements?

The Equity Shares are being offered on a rights basis to the existing Eligible Equity Shareholders in the ratio of 1:1 (1 Rights Equity Share for every 1 fully paid-up Equity Share) held as on Friday, January 20, 2023, the Record Date. Accordingly, no circumstance is likely to arise which would result in fractional entitlement.

11. When will Credit of Rights Entitlements in the demat accounts happen?

Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.

In this connection, the Company has made necessary arrangements with NSDL and CDSL for credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in dematerialised form. The ISIN of the Rights Entitlements is INE978A20019. The said ISIN shall remain frozen (for debit) until the Issue Opening and shall become active on the Issue Opening Date and remain active for renunciation or transfer

during the Renunciation Period. The said ISIN shall be suspended by the Depositories post the Issue Closing Date.

If the Eligible Equity Shareholders holding the Equity Shares in the physical form as on Record Date ("**Physical Shareholders**") have not provided the details of their demat accounts to the Company or to the Registrar not later than two Working Days prior to the Issue Closing Date (i.e., Thursday, February 9, 2023) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date (i.e., Monday, February 13, 2023) in order to be eligible to apply for this Issue. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the afore-mentioned transfer.

12. What is the process for Renunciation of Rights Entitlements?

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renouncement of Rights Entitlements credited in your demat account can be made either by using the secondary market platform of the Stock Exchange ("**On Market Renunciation**") or through off market transfer ("**Off Market Renunciation**"), during the Renunciation Period. For more details, see "*Terms of the Issue -Procedure for Renunciation of Rights Entitlements*" on page 273 of the Letter of Offer.

a) On Market Renunciation

The Eligible Equity Shareholders holding Rights Entitlements in dematerialized form in their respective demat account can renounce the same by trading/selling them over the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of the Company are being traded.

In this connection, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - INE978A20019. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradeable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Monday, January 30, 2023 to Wednesday, February 8, 2023 (both days inclusive).

The Investors holding the Rights Entitlements in their demat account who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN: INE978A20019 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The order for trading of the Rights Entitlements can be placed during the normal trading hours of the Stock Exchanges and only during the Renunciation Period.

The trading in Rights Entitlements can take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

The Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock brokers for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the stock brokers for trading in Rights Entitlements. The Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage) levied by the stock brokers, and such costs will be incurred solely by the Investors.

b) Off Market Renunciation

The Eligible Equity Shareholders holding Rights Entitlements in dematerialized form in their demat account can renounce the same through off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements in their demat account who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN- INE978A20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless he has already given a standing receipt instruction) has to issue a receipt instruction slip to his depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants and only during the Renunciation Period.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

13. If the Investor purchased Rights Entitlements from the secondary market, does he need to pay once again for the Rights Equity Shares applied for through ASBA

Yes, even though the Investor purchased the Rights Entitlements from the secondary market, they need to block/pay the issue price amount with designated SCSBs.

14. Whether any persons who are not existing shareholders of the issuer Company as on Record Date, can apply to the Rights Issue?

Persons who are not existing shareholders of the issuer Company as on the Record Date can buy the Rights Entitlements (REs) through On Market or Off Market Renunciation and apply in the Rights Issue up to the Rights Entitlements bought as well as the Additional Rights Equity Shares.

15. What will happen if Rights Entitlements (REs) are purchased through On Market Renunciation / Off Market Renunciation, and no application is made for subscribing the shares / other securities offered

under Rights Issue?

In case Rights Entitlements are purchased through On Market Renunciation/ Off Market Renunciation, and no corresponding application is made for subscribing the shares/ other securities offered under Rights Issue, the Rights Entitlements purchased will lapse.

16. What are the options available to the Eligible Equity Shareholders in the Rights Issue?

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to. If the Eligible Equity Shareholder applies in the Issue, then such shareholder can:

- Apply for his/her Rights Entitlements in full; or
- Apply for his/her Rights Entitlements in part without renouncing the other part of the Rights Entitlements; or
- Apply for his/her Rights Entitlements in part and renounce the other part of the Rights Entitlements; or
- Apply for his/her Rights Entitlements in full and apply for additional Equity Shares; and
- Renounce his/her Rights Entitlements in full.

17. Can an application in the rights Issue be made using third party bank account?

Investors can make payment only using bank account held in their own name. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

18. Can a joint bank account be used to make applications on behalf of shareholders?

Joint bank account can be used by the applicant provided they are joint holders of such bank account.

19. Can an application be made by cash / cheque?

No.

20. Can an application be made by visiting the Company, and Registrar office?

No.

21. Can the broker collect the application form and submit the application?

No.

22. Does purchase of Rights Entitlement mean the purchaser will automatically get Equity Shares?

The purchaser/investor acquiring Rights Entitlement on the floor of the Stock Exchanges or in the off-market transaction will not automatically get Equity Shares. They will be required to make an application in accordance with the provision of the Letter of Offer for acquiring Rights Equity Shares to the extent of the Rights Entitlement acquired and/or the Additional Rights Equity Shares.

PLEASE NOTE THAT IF NO APPLICATION IS MADE BY THE ELIGIBLE EQUITY SHAREHOLDERS OF RIGHTS ENTITLEMENTS ON OR BEFORE ISSUE CLOSING DATE, SUCH RIGHTS ENTITLEMENTS SHALL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO EQUITY SHARES FOR SUCH LAPSED RIGHTS ENTITLEMENTS WILL BE CREDITED, EVEN IF SUCH RIGHTS ENTITLEMENTS WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE PREMIUM PAID TO ACQUIRE THE RIGHTS ENTITLEMENTS. PERSONS WHO ARE CREDITED THE RIGHTS ENTITLEMENTS ARE REQUIRED TO MAKE AN APPLICATION TO

APPLY FOR EQUITY SHARES OFFERED UNDER THE RIGHTS ISSUE FOR SUBSCRIBING TO THE EQUITY SHARES OFFERED UNDER THE ISSUE.

23. How can an Investor understand that the Application has been successfully made?

Investors will be provided acknowledgment / confirmation email upon successful completion of Application.

24. How can an Investor understand if the Equity Shares have been allocated?

The Company and/or the Registrar will send intimations through email (Allotment/ Refund advice) and a physical dispatch, to the Indian address provided to our Company or at the address recorded with the Depository, to all the applicants who have been allotted Equity Shares.

25. What is the process of updating the email ID, phone number and Indian address?

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or the Company, Eligible Equity Shareholders should visit <https://rights.kfintech.com>.

Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and the Company by submitting their respective copies of self-attested proof of address, passport, etc. at heritagefoods.rights@kfintech.com.

26. How can an investor apply in the Issue?

Pursuant to provisions of Regulation 76 of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars and ASBA Circulars, all Investors including Renouncees desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details on the ASBA Process see *"Terms of the Issue - Procedure for Application through the ASBA Process"* on page 272 of the Letter of Offer.

27. What is the procedure for making plain paper application and where can the plain paper application be submitted?

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchanges, the Lead Manager to provide requisite details.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently make an Application to subscribe to the Issue on plain paper, along with an account payee cheque or demand drawn at par, net of bank and postal charges, payable at Mumbai and the Investor should send such plain paper Application by registered post directly to the Registrar to the Issue. For details of the mode of payment, see *"Modes of Payment"* on page 277 in

Chapter “Terms of the Issue”.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date.

28. What is the process of Application by the Physical Shareholders?

In accordance with Regulation 77A of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

Shareholder are required to make the application on or prior to the Issue closing date. Application will be considered only if REs are in the demat account furnished

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Application Form from:
 - Registrar (<https://rights.kfintech.com>);
 - Our Company (www.heritagefoods.in);
 - The Stock Exchange (www.bseindia.com) and (www.nseindia.com)
 - The Lead Manager (www.cfml.in)

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.kfintech.com>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.heritagefoods.in)

- d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

29. Can shareholders holding Equity Shares in a physical form renounce their Rights Entitlement?

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to the Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines

30. Will share certificates be provided to shareholder holding Equity Shares in a physical form if demat account is not provided?

Since the Allotment is in dematerialised form, no, share certificates will be provided to shareholder holding Equity Shares in a physical form.

31. Why will physical share certificates not be issued to successful Allottees in Rights Issue?

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only.

32. Will the shareholders holding shares in physical form, who have not been provided demat account details be allotted shares in the rights Issue?

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

33. How much time will it take to get the Rights Entitlement credited in demat account for those investors who have not provided their demat account details during issue period?

The Company (with the assistance of the Registrar) shall, after verification of the details of demat account by the Registrar, within reasonable time initiate the process of transfer of the Rights Entitlement from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Such Eligible Equity Shareholders hold Rights Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

34. What is the last date for providing the demat account details for getting the Equity Shares Allotted in the Issue in such demat account?

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly,

the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period.

The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date.

The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

35. Can shareholders holding Equity Shares in physical form apply through ASBA

No, Eligible Equity Shareholders holding Equity Shares in physical form, cannot apply through ASBA unless such shareholders provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., <https://rights.kfintech.com>). Such Eligible Equity Shareholders hold Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

36. What is the process to be followed by a shareholder holding Equity Shares in demat form to make an application in rights Issue?

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process, Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details, see “- Procedure for Application through the ASBA Process” on page 272 of the Letter of Offer.

37. Is there any restriction on total investment amount / Equity Shares?

Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the investment limits or maximum number of Equity Shares that can be held by them prescribed under the applicable law. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Equity Shares in accordance with the legal requirements applicable in such person's jurisdiction and India, without requirement for the Company's or their respective affiliates to make any filing or registration (other than in India).

38. What will be the treatment of multiple Applications?

The Investors shall submit only one Application Form for the Rights Entitlements available in a particular demat account.

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will

not be treated as multiple application. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Investments by Mutual Funds*” on page 292 of the Letter of Offer.

In cases where multiple Application Forms are submitted, including cases where an Investor submits Application Forms along with a plain paper Application, multiple plain paper Applications or as well as through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue described in “*Capital Structure – Intention and extent of participation by our Promoter(s) and Promoter Group in the Issue*” on page 57 of the Letter of Offer.

39. How to withdraw an Application made through ASBA?

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted or sending the email withdrawal request to heritagefoods.rights@kfintech.com. However, the Application, whether applying through ASBA Process facility, cannot be withdrawn after the Issue Closing Date.

40. Whether Overseas Investors can participate in rights Issue?

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and the Stock Exchanges. In particular, the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States, except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only to persons outside the United States in offshore transactions as defined in and in reliance on Regulation S under the Securities Act (“Regulation S”). Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Rights Entitlements may not be transferred or sold to any person outside India. For more details, see “*Selling Restrictions*” on page 254 of the Letter of Offer.

For the details of Application by Mutual Funds, NRIs, Systemically Important Non-Banking Financial Companies, AIFs, FVCIs and VCFs, FPIs, see the chapter titled “*Terms of the Issue*” on page 260 of the Letter of Offer.

- **When will the Equity Shares be credited to the demat account?**

On or About Thursday, February 23, 2023.

- **When will the Rights Equity Shares get listed on the exchange?**

On or About Monday, February 27, 2023.

DISCLAIMER

HERITAGE FOODS LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on a rights basis and has filed a Letter of Offer with the Securities and Exchange Board of India, BSE Limited AND National Stock Exchange of India Limited. The Letter of Offer shall be available on the website of SEBI at (www.sebi.gov.in), website of Stock Exchanges where the Equity Shares are listed i.e., BSE at(www.bseindia.com), NSE at (www.nseindia.com) and at the website of Registrar at (<https://rights.kfintech.com>). Investors should note that investment in equity shares involves a high degree of risk and are requested to refer to the Letter of Offer including the section "Risk Factors" beginning on page 32 of the Letter of Offer.

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer was filed with SEBI and the Stock Exchanges.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Rights Entitlements may not be transferred or sold to any person outside India.