

CS. SAVITA JYOTI, B.Com., F.C.S.

FORM No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Heritage Foods Limited
CIN: L15209TG1992PLC014332
6-3-541/C, Panjagutta,
Hyderabad-500082

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Heritage Foods Limited (herein after called the "Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Handwritten signature

Page 1 of 5

SAVITA JYOTI ASSOCIATES
COMPANY SECRETARIES

CS. SAVITA JYOTI, B.Com., F.C.S.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -- N.A.
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- N.A.
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- N.A.
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- N.A.
 - (j) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015.
- (vi) **We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company.
- a. Food safety and Standards Act, 1954 and the Rules made there under
 - b. The Prevention of Foods Adulteration Act, 1954 and the Rules made there under

AJ

SAVITA JYOTI ASSOCIATES

COMPANY SECRETARIES

CS. SAVITA JYOTI, B.Com., F.C.S.

We have also examined compliance with the applicable clauses of the following as amended from time to time:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, New Delhi. and
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and The National Stock Exchanges of India Limited, Mumbai

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors & Woman Directors. The change in the composition of the Board of Directors during the period under review i.e the appointment of Mr. Muthu Raju Paravasa Raju Vijay Kumar as a Non-Executive Independent Director of the Company for a period of 5 (five) years from 01.11.2021 to 31.10.2026 was carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were approved by majority and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Company and also on the review of the Compliance certificates / reports taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further Report that during the audit period of the Company: There was no instance of: Demerger/ Restructuring/ Scheme of Arrangement

We further report that, during the audit period the company has taken the approval of its members through postal ballot in compliance with the MCA and SEBI Circulars for appointing Mr. Muthu Raju Paravasa Raju Vijay Kumar (DIN: 05170323) as a Non-Executive Independent Director of the Company for a period of 5 (five) years from

AJ

SAVITA JYOTI ASSOCIATES
COMPANY SECRETARIES

CS. SAVITA JYOTI, B.Com., F.C.S.

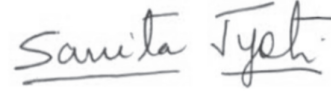
01.11.2021 to 31.10.2026, notice for which was sent to shareholders on 25.10.2021 and the date of passing of resolution was 24.11.2021.

We further report that, during the audit period the company has also sought the approval of its members through postal ballot in compliance with the MCA and SEBI Circulars for Continuation of directorship of Dr. V Nagaraja Naidu (DIN: 00003730), Non-Executive Director of the Company in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, notice for which was sent to shareholders on 30.03.2022 and the date of passing of resolution was 29.04.2022.

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the Company.

Place: Hyderabad
Date: May 10, 2022

For **SAVITA JYOTI ASSOCIATES**



Savita Jyoti
Partner

SAVITA JYOTI, FCS 3738
Practicing Company Secretary
Certificate of Practice No. 1796

M. No. FCS. No.-3738, CP. No. 1796
UDIN: F003738D000298934

This Report has to be read with our testimony of even date which is annexed as Annexure- A and forms an integral part of this report.

SAVITA JYOTI ASSOCIATES
COMPANY SECRETARIES

CS. SAVITA JYOTI, B.Com., F.C.S.

ANNEXURE-A TO SECRETARIAL AUDIT REPORT

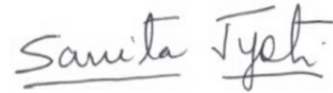
To
The Members,
Heritage Foods Limited
6-3-541/C, Panjagutta,
Hyderabad-500082

Our report of even date is to be ready along with this supplementary testimony.

- a) Maintenance of Secretarial record is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d) Whenever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc. We have also verified the applicable provisions of IEPF which is complied by the Company.
- e) The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company

For **SAVITA JYOTI ASSOCIATES**

SAVITA JYOTI, FCS 3738
Practicing Company Secretary
Certificate of Practice No. 1796



Savita Jyoti
Partner

Place: Hyderabad
Date: May 10, 2022

M. No. FCS. No-3738, CP. No. 1796
UDIN: F003738D000298934