



# **Anti Bribery and Anti-Corruption Policy**

**HERITAGE FOODS LIMITED**

CIN: L15209TG1992PLC014332

AN ISO: 22000 CERTIFIED COMPANY

Regd Off: H.No.8-2-293/82/A/1286,

Plot No: 1286, Road No. 1 & 65, Jubilee Hills,  
Hyderabad, Telangana, 500033

Tel: +91-4023391221/222, Fax: 30685458

Email: [hfl@heritagefoods.in](mailto:hfl@heritagefoods.in)

Website: [www.heritagefoods.in](http://www.heritagefoods.in)

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\* Policy effective from: 01<sup>st</sup> August, 2023 unless otherwise specified

## **Anti Bribery and Anti-Corruption Policy**

Heritage Foods Limited (Hereinafter referred to as “HFL”) follows all applicable laws and regulations and respects lawful customs of the regions where we operate and transact. In India, under the provisions of Prevention of Corruption Act, 1988 (PCA), acceptance or attempted acceptance of any form of illegal gratification (i.e., anything of value other than a legal entitlement) by a public servant is a punishable offence. Companies Act, 2013 also has provisions to prevent corruption in corporate sector.

In addition to the Prevention of Corruption Act, 1988, the Indian Penal Code, 1860 (“IPC”), Prevention of Money Laundering, 2002, Central Vigilance Commission Act, 2003, Lok Ayukta Acts of various states shall also apply to offences relating to or resulting in corruption and bribery and resolutions available.

In conformity with that, we are committed to acting and building relationships based on integrity and fairness in all our dealings. Hence, HFL has adopted a “Zero Tolerance” approach to bribery and corruption.

### **1. Scope & Applicability**

This policy shall be applicable and binding on all employees, and any other person associated with HFL and includes all employees and associates with subsidiaries and affiliate companies and such other persons, including those acting on behalf of our Company, across all locations. This policy should be read in conjunction with our Code of Conduct & Whistle blower policy.

The purpose of the policy is to safeguard and promote legitimate business throughout the organisation and to prevent and prohibit corruption, bribery and similar acts in connection with the organisation.

HFL will communicate the policy and practical procedures and its approach for the implementation of the policy to its employees and will publish this policy on its corporate website. Every employee is bound to comply with anti-bribery policy, as part of the Code of Conduct.

### **2. Anti-Bribery & Corruption**

Under no circumstances, any employee shall offer, promise or grant anything of value to

- a) Government Official
- b) Any person, or members of their family
- c) A third party
- d) Charitable organization suggested by such a recipient
- e) Prospective customers in the form of rebate or any other inducement; recipient to conduct business HFL.
- f) Or any other entity and/or individual, directly or indirectly related and having a conflict

of interest with the employee.

For influencing the recipient to take or refrain from taking any official action, or to induce the recipient to conduct business with HFL.

### **3. Accepting Gifts and Entertainment**

In general, employees shall not accept gifts or the conveyance of anything of value (including entertainment) from current or prospective customers, vendors, suppliers or any other entity, individual, directly or indirectly related and having a conflict of interest with the employee.

Employees shall never accept a gift under circumstances in which it could even appear to others that the business judgment may be compromised. Similarly, employees may not accept or allow a close family member to accept gifts, services, or preferential treatment from clients, agents or others in exchange for a past, current or future business relationship with HFL.

Cash gifts or their equivalent (e.g., gift cards or vouchers) shall not be accepted under any circumstances. Non-cash gifts may be accepted when permitted under applicable law if they are in

- (1) nominal in value (e.g. diaries, planners and similar stationery, inexpensive food items or any other items up to a maximum of approx. INR 5000);
- (2) appropriate, customary and reasonable meals and entertainment at which the giver is present, such as an occasional business meal or sporting event; or
- (3) appropriate, customary and reasonable gifts based on family or personal relationships, and clearly not meant to influence HFL's business. If employees have any questions about the appropriateness of accepting a gift, invitation, raffle or other prize, employee should disclose and discuss the matter with their manager prior to participation or acceptance.

### **4. Giving Gifts and Providing Entertainment**

In certain circumstances, giving gifts and providing entertainment may be seen as a conflict of interest by others, or in extreme cases, bribery. Appropriate gifts and entertainment may be offered to stakeholders, by person authorized to do so, subject to the procedures applicable for HFL.

### **5. Responsibility**

As a part of engagement with HFL and as an ethical responsibility, all the stakeholders such as Board of Directors, senior management, managers and all other employees shall be responsible for the enforcement of and compliance with this policy on business conduct to ensure awareness and compliance.

Employees need to be alert about possible violations of this policy and report them to the HR/ Legal/ Audit department or the Managing Director of HFL, Business Head or the Head of Department. Employee must cooperate in any internal or external investigations of possible violations. If one is asked to make a payment on the Company's behalf, one should always be mindful of what the payment is for and whether the amount requested is

proportionate to the goods or services provided. One should always ask for a receipt, which details the reason of the payment. If one has any suspicions, concerns or queries regarding a payment, one should raise these with the HR/ Legal/ Internal Audit department /Compliance Officer, wherever possible, prior to taking any action.

## **6. Breach**

Any violation of this policy may have significant consequences, including potential prosecution, fines and other penalties for improper conduct, as well as imprisonment and/or disciplinary action up to and including termination of the concerned.

Any “red flags” or potential “red flags” (illustratively as defined in **Annexure 1**) observed by any Associate should be notified to the Chief Compliance Officer as soon as possible. This should cover both actual or suspected conflict with the compliance principles, set forth in this policy.

## **7. Review**

This policy shall be periodically reviewed and updated by the Audit Committee, if there are significant changes in the applicable regulations. This policy draws from the Code of Conduct and Whistleblower Policy of the company. In case of any discrepancies found in the policy, the relevant portions of the Code of Conduct and the Whistleblower policy should be the standard. Awareness on this policy will form part of the induction process where if required, employees will receive relevant inputs on how to implement and adhere to this Policy.

Any exceptions and future modifications to this policy would be subject to approval by the Chairperson of the Audit committee of the Company.

The compliance of this Policy shall be with the chairperson of the Audit committee and the Company Secretary & Compliance officer.

The Audit committee shall raise all reports, complaints, doubts or concerns in relation to this policy. Every query or concern raised by Audit Committee in relation to any suspected violation of this policy shall be investigated as per Whistleblower process.

## **8. Bribery/Corruption complaint against any Key Management Personnel and / or member of the Audit Committee:**

In continuation with clause 7 above, in case a complaint is against any key management personnel and/or member of the Audit committee, the complainant can forward the complaint directly to the chairperson of the audit committee.

Based on the gravity of the case, the Audit committee chairperson may decide to advise the management on the future course of investigation, as mentioned below:

a) In case the complaint is of a \*serious nature, as interpreted by the Audit committee chairperson:

- He/she shall keep the chairperson of the Board informed about the same
- He/she may, in consultation with the chairperson of the Board decide to appoint a third party investigator and/or a law firm and/or expert, to investigate the case. The

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lead investigator in such cases will be appointed by the Audit committee chairperson, as felt appropriate

- Matters if any, related to management of the external stakeholders including the media, regulator etc. would be decided by the chairperson of the Audit committee, in consultation with the chairperson of the Board

The Company Secretary & Compliance officer's suggestion regarding the investigation may be sought by the Chairman of the Audit committee, in cases where the complaint is not against the him.

\*Note: A complaint of a serious nature would mean any complaint that may involve serious questions related to the governance standards adopted by the organization and/or matters that may pose significant operational/financial/reputation risk or loss to organization or reputation risk to 'HFL' brand and/or as interpreted by the Audit committee chairperson.

b) In all other cases, he/she may advise the management to carry out the investigation as per the usual defined process. In such cases, the lead investigator will be appointed by the Audit committee chairperson, as deemed fit.

The Company Secretary & Compliance officer's suggestion regarding the investigation may be sought by the Chairperson of the Audit committee, in cases where the complaint is not against the him.

### 9. Channel for complaint:

Complaint can be made by any employee or any other person associated with the Company and such other persons, including those acting on behalf of the Company and includes directors, financial consultants, corporate agents, brokers, distributors, vendors, consultants, advisors, suppliers, contractors or other third parties.

The complainant may send a communication through email or directly in writing through a letter to,

Mr. Umakanta Barik  
Company Secretary & Compliance Officer  
umakanta@heritagefoods.in  
Heritage Foods Limited  
H.No.8-2-293/82/A/1286, Plot No: 1286,  
Road No. 1 & 65, Jubilee Hills, Hyderabad,  
Telangana, 500033

Or

Chairperson Audit Committee

Or

Email at [hfl@heritagefoods.in](mailto:hfl@heritagefoods.in)

### 10. Review of the Policy:

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The Board will review this Policy on a regular basis to ensure its effectiveness and also its compliance with applicable Acts/Regulations.

**Annexures 1****Potential risk scenarios: “red flags”**

The following is a list of possible red flags that may arise during the course of employment or association of Associates or Business Partners with the HFL and which may raise concerns under various antibribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If any Associate or Business Partner encounter any of these red flags while working with the HFL, they must report them promptly:

- a) You become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- b) You learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a “special relationship” with government officials or officials involved in the pharmaceutical licence application process;
- c) A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- d) A third-party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e) A third-party request that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f) A third-party requests and unexpected additional fee or commission to “facilitate” a service;
- g) A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiation or provision of services
- h) A third-party request that a payment is made to “overlook” potential legal violations;
- i) A third-party request that you provide employment or some other advantage to a friend or relative;
- j) You receive an invoice from a third party that appears to be non-standard or customised;
- k) A third party insists on the use of side letters or refuses to put terms agreed in writing;
- l) You notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m) A third-party request or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- n) You are offered an unusually generous gift or offered lavish hospitality by a third party;
- o) A doctor employed by a government owned hospital or university requests a payment to provide a glowing report of the medicine you are applying to have licensed;
- p) A foreign government official suggests a contribution should be made to his favourite charitable organisation and in return he would be able to influence the decision-making process for licence approvals; or