

FORM No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2024

[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
H.No.8-2-293/82/A/1286,
Plot No: 1286, Road No. 1 & 65,
Jubilee Hills, Hyderabad,
Telangana, 500033

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 us 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, 2024

- complied with the statutory provisions listed hereunder and
- 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, 2024 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;

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- (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 (Share based employee benefits and Sweat Equity) Regulations, 2021; -- N.A.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; -- N.A.
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; -- N.A.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -- N.A.
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (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, 2006 and the Rules made there under as amended from time to time.
 - b. The Prevention of Foods Adulteration Act, 1954 and the Rules made there under as amended from time to time.

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 and
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchanges of India Limited, Mumbai.

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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 and there are changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all directors to schedule the Board/Committee 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 Chairperson, the decisions of the Board were approved by majority and no dissenting views have been recorded.
- All Independent Directors of the Company were registered as an independent director in the independent directors databank maintained by the IICA.

We further report that based on the review of the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the various departments and taken on record by the Board of Directors at their meetings. We are of the opinion that 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 the Company made an application to the Stock Exchanges where the shares of the Company are Listed i.e., BSE Limited and National Stock Exchange of India Limited on August 28, 2023 and has received approval from BSE Limited, vide ref. no LIST/COMP/BS/2395/2023-2024 dated December 12, 2023 and National Stock Exchange of India Limited, vide ref. no. NSE/LIST/329 dated December 12, 2023 for re-classification of the shareholders of the Company from Promoters and Promoter Group category to Public Category in accordance with the Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Reg. 2015

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 appointed Mr. Angara Venkata Girija Kumar (DIN: 02921377), as an Additional Director in the category of Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. June 01, 2023 and further regularised his appointment as Non-Executive Independent Director of the Company at the 31st AGM held on August 22, 2023.

We further Report that, during the audit period, Sri. N Sri Vishnu Raju (DIN:00025063) ceased to be a Non-Executive Independent Director and Chairperson/Member of the Committees of the Company w.e.f. the closing business hour on October 21, 2023.

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We further Report that, during the audit period, the Company has appointed Sri. A V Girija Kumar Non-Executive Independent Director as Chairperson of the Company.

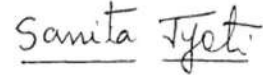
We further report that, during the audit period the company has also sought the approval of its members through postal ballot concluded on March 14, 2024 in compliance with the MCA and SEBI Circulars for

1. Re-Appointment of Mrs. Aparna Surabhi (DIN: 01641633) as Non-Executive Independent Woman Director of the Company.
2. Re-Appointment of Mrs. N. Bhuvaneshwari (DIN: 00003741) as Whole-time Director designated as Vice-Chairperson and Managing Director (VC&MD) of the Company.
3. Re-Appointment of Mrs. N. Brahmani (DIN: 02338940) as Whole-time Director designated as Executive Director of the Company.

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 and we are not responsible for any lapses in those compliances on the part of the Company.

Place: Hyderabad
Date: 07/05/2024

For **SAVITA JYOTI ASSOCIATES**



Savita Jyoti

Practicing Company Secretary

M. No. FCS No. 3738

CP. No. 1796

PR: 1326/2021

UDIN: F003738F000324245

SAVITA JYOTI, FCS 3738

Practicing Company Secretary

Certificate of Practice No. 1796

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

SECRETARIAL AUDIT REPORT

To
The Members,
Heritage Foods Limited
H.No.8-2-293/82/A/1286,
Plot No: 1286, Road No. 1 & 65,
Jubilee Hills, Hyderabad, Telangana, 500033

Auditor's Responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (CSAS) prescribed by the Institute of the Company Secretaries of India (ICSI). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

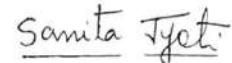
Due to the inherent limitations of an audit including internal, financial and operating controls, there may be unavoidable risk that may some misstatements or non-compliance may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. 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.
2. We have followed the audit practices and processes as 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. 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.
6. 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.

Place: Hyderabad
Date: 07/05/2024

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

For **SAVITA JYOTI ASSOCIATES**



Savita Jyoti
Practicing Company Secretary
M. No. FCS No. 3738
CP. No. 1796
PR: 1326/2021
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