

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In today's business landscape, the adoption of the Business Responsibility & Sustainability Reporting (BRSR) framework has become imperative for organizations aspiring to elevate their Environmental, Social and Governance (ESG) disclosures. By embracing BRSR, companies set a new standard for transparency and accountability, ensuring standardized reporting on ESG parameters, sustainability-related risks, and opportunities. This strategic move not only drives long-term value creation but also empowers investors with comprehensive ESG data, enabling them to make well-informed decisions.

Recognizing the significance of proactive ESG engagement, your Company has taken diligent measures to address ESG issues. We proactively identify areas for improvement and demonstrate an unwavering commitment to sustainable practices. Adhering to the BRSR framework, we aim to provide stakeholders with clear and reliable information that enables them to comprehend our ESG performance and progress. This unwavering commitment to transparency fosters trust among investors, customers, and the wider community, reinforcing our position as a responsible and sustainable organization.

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L15209TG1992PLC014332
2.	Name of the Company	Heritage Foods Limited
3.	Year of incorporation	05-06-1992
4.	Registered office address	H.No.8-2-293/82/A/1286, Plot No: 1286, Road No. 1 & 65, Jubilee Hills, Hyderabad, Telangana, 500033
5.	Corporate address	No.8-2-293/82/A/1286, Plot No: 1286, Road No. 1 & 65, Jubilee Hills, Hyderabad, Telangana, 500033
6.	E-mail id	hfl@heritagefoods.in
7.	Telephone	040-23391221
8.	Website	www.heritagefoods.in
9.	Financial year reported	2023-2024
10.	Name of the Stock Exchanges where shares are listed	1. BSE Limited, Mumbai 2. National Stock Exchange of India Limited, Mumbai
11.	Paid-up Capital	INR 46,39,80,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Umakanta Barik Company Secretary & Compliance officer Tel: 040-23391221, 23391222 Email: umakanta@heritagefoods.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Whether the company has undertaken reasonable assurance of the BRSR Core?	No
15.	Name of assurance provider	NA
16.	Type of assurance obtained	NA

II. Products/services

17. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Manufacturing	Manufacture of dairy products	99.76%

* Heritage Foods also has Renewable energy and Feed as business activities

18. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Milk and Milk products	1050	99.76%

III. Operations

19. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants*	Number of offices#	Total
National	215	51	266
International	0	0	0

* Plant Includes : Packing Stating, Chilling Centre, Mini Chilling Unit, Ice Plant .

Office Includes : Regd. Office, Regional Office, Sales Office

20. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of States)	12
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the Company?

0.04%

The major exports are Heritage Pure Ghee in Bulk and Consumer Packs, Heritage Butter in Bulk and Consumer Packs, Heritage SMP (Skimmed Milk Powder) in Bulk & Consumer Packs.

c. Brief on types of customers

The Company process/manufactures milk & milk products and serves more than 1.5 million households' daily basis through Distributors, Parlours, Retail outlets : Heritage Happiness Points, Institutions, Modern Formats & E-Commerce channels.

IV. Employees

21. Details as at the end of Financial Year, i.e., March 31, 2024

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	3225	3163	98.08	62	1.92
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D+E)	3225	3163	98.08	62	1.92
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	3263	2638	80.85	625	19.15
6.	Total workers (F+G)	3263	2638	80.85	625	19.15

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D+E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F+G)	0	0	0	0	0

- Permanent employees mean employees are on the rolls of Heritage Foods Limited
- Workers means persons engaged through labour contractor/third party
- In terms of gender ratio, about 27.1% of dairy farm workers are women and 72.9% are men. Heritage Foods endeavours to maintain these industry baseline standards , however in summation these figures can vary significantly depending on the region and specific sub-sectors within the dairy industry. The above mentioned figures provided a generalized view across product lines and States of operation.

22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	3	42.86%
Key Management Personnel*	6	2	33.33%

* including Directors.

This is higher than the industry average of 15%-23% women in Dairy boards as published by IICA 2023 as a result Heritage Foods has higher Women Empowerment in CXO compared to the industry baseline standards.

23. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2024				FY2023				FY2022			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees(%)	18.62	0.28	0	18.91	22.30	1.20	0	23.50	24.77	0.50	0	25.27
Permanent Workers(%)	0	0	0	0	0	0	0	0	0	0	0	0

- As per National Dairy Board, the estimated turnover in the Dairy industry for 2023-24 is at 38%.in comparison, Heritage Foods have maintained a lower 18.91% in comparison to industry baseline and striving several employee and worker welfare activities year on year thereby reducing the Employee/Workers Turnover by 4.59% in FY2023-24. This included providing Health care facilities such as free clinic medical services to underprivileged communities on a daily basis and providing healthcare services and treatment to individuals in rural areas through Mobile Clinic by the CSR Implementing agency NTR Memorial Trust.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

24. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/ Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Heritage Nutrivet Limited	Subsidiary	100%	No
2	Skil Raigam Power (India) Limited	Associate	43.33%	No
3	Heritage Novandie Foods Private Limited	Joint Venture	50%	No

VI. CSR Details

25. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in ₹ Mn) : 37,343.45
- (iii) Net worth (in ₹ Mn) : 8,034.98

During FY 2023-24, the Company has allocated ₹ 31.42 million for carrying out the CSR Activities under Ongoing/ multi-year project and the company has yet to spend the said amount as on 31st March, 2024. The unspent amount of ₹ 31.42 millions was transferred to unspent CSR account and will be spent on or before 31st March 2027 in accordance with the CSR Amendment Rules. However as on the report date ₹ 30 million was spent towards CSR activities for FY 2023-24.

Initiatives like :

- Health care facilities - Free Clinic Health care facilities by providing free clinic medical services to underprivileged communities on a daily basis and providing healthcare services and treatment to individuals in rural areas through Mobile Clinic by the Implementing agency NTR Memorial Trust;* *VET Care for Milch Animals and Fodder Feed improvement and reduction of Methane content and Milk production increase at lower cost and Animal Hygiene,*Free Medical Checkup camps in villages and for workers.*Setup of Oxygen Centres in Underdeveloped areas.

VII. Transparency and Disclosure Compliances

26. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY2024			FY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes, Heritage Foods Limited has a grievance redressal mechanism in place for all of its stakeholders. The processes are established internally and conveyed to the stakeholders	0	0	No complaints or grievances have been received so far under any of the principles of the NGRBC.	0	0	No complaints or grievances have been received so far under any of the principles of the NGRBC.
Investors (other than shareholders)		0	0		0	0	
Shareholders		0	0		0	0	
Employees and workers		0	0		0	0	
Customers		0	0		0	0	
Value Chain Partners		0	0		0	0	
Other (please specify)		0	0		0	0	

- Note : Investor Grievance can be addressed at <https://www.heritagefoods.in/investorgrievance> and via email to E-mail: umakanta@heritagefoods.in. For customer related grievances , refer link <https://www.heritagefoods.in/contact-us> and email to customercare@heritagefoods.in

27. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Raw Material Sourcing	Risk	The Company's raw materials are crucial to the kind of products it manufactures. These raw materials are specific to certain geographies. The changing climatic conditions may pose a risk to the availability of these raw materials. Factors contributing to increased costs include excess wait time and detention costs, overpaying some haulers while underpaying others (resulting in hauler consolidation and higher rates), running out of modded, small, high-maintenance equipment, excess intake time and labour, and moving milk and milk products further than necessary	To mitigate this risk, the Company is expanding sourcing to multiple geographies. Proposed and in progress strategies that can help mitigate these increased logistics costs, such as digitization and outsourcing of dairy scheduling and trading, plant-to-plant haul cost optimization, detailed farm-to-plant route cost modelling, intake benchmarking and optimization, plant design with 3D-simulation, use of AI and data analytics, and sustainability measures ²³ . These strategies can help the dairy industry to mitigate the increased logistics costs associated with expanding raw material sourcing to multiple geographies,	Negative- The implications of this would be on higher logistics cost. The exact percentage will vary over periodic ebbs/high. The exact percentage increase would depend on a variety of factors including the specific geographies involved, the extent of the climatic changes, the availability of alternative fodder or milk supply sources, and the efficiency of the logistics and supply chain management systems in place

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Supply Chain Management	Opportunity	Setting up a resilient supply chain has assisted the Company in ensuring the continuity in adverse times. The supply chain has helped the Company to have competitive pricing and pass on its benefit to the consumers without any business disruptions.	The business continuity and risk management plan of the Company has covered all foreseeable risks in its supply chain with measures already underway to address those.	Positive + The Company has developed resilient supply chain which has helped edit fetch long-term results.
3	Governance	Opportunity	This has helped the Company to strengthen the organisational strategy for championing success.	The Company is led by strong leadership and capable execution teams.	Positive + In transforming the business and leveling it up.
4	Human Rights	Risk	Changing regulations related to human rights may pose a challenge. Adherence on Human impact Assessment under GRI400 deviation are not acceptable.	In its policy for Business responsibility , policy no.5 , Human rights policy is now embedded. Company put in substantial efforts to ensure that no human right violations occur in the entire line of Company's business.	Positive + Awareness of GRI , ISO 45001 Occupational Health and Safety GRI 200 adherence and up-liftment of human due diligence process , embedded in the company business policies, above industry standards.
5	Employee Health and Safety	Risk	This can lead to decreased productivity.	ISO14001:2015 (Environmental Management System) has been implemented and rigorously adopted , along with regular EHS trainings for staff and workers during the year . This is now embedded in Policy No.3 Well being of all Employees in the Business Responsibility Policies which is adopted and published in the company website. Link	Positive + Any investment in employee health and safety will payoff in the long run.
6	Data Privacy and Security	Risk	It is critical for the business operations to protect the security of data and the entire value chain, particularly customers. Any data breach may result in the release of critical company data, resulting in fraud, business disruption, and continuity.	The Company has implemented a data security mechanism to prevent any possible cyber-attack, data breach or any sabotage attempt to disrupt business processes. The Company has also developed a proper business continuity plan which includes building of redundancy for entire IT infrastructure and network.	Negative - The process of identification and quantification of the financial implications of the identified risks and opportunities is currently ongoing.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Energy and emission Management	Risk	Climate change mitigation necessitates a reduction in energy usage and emissions footprint through the deployment of carbon reduction initiatives.	The Company level policy on Energy Management acts as a guideline for managing and optimising energy consumption and emissions, in line with India's goal of being Net Zero. The mitigation is under progress with completion targeted in 2025-26.	Negative- The process of identification and quantification of the financial implications of the identified risks and opportunities is currently ongoing.
8	Consumer Welfare	Opportunity	To position ourselves as market leaders and the most trusted consumer brand.	Heritage has built legacy brands while sustaining strong market connections to ensure consumer welfare.	Positive + Consumer goodwill will translate into product sales and long term customer loyalty for present, upcoming and future product lines.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether the Company's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Weblink of the policies, if available	Policies are available in the link mentioned below 1. https://www.heritagefoods.in/policy 2. https://www.heritagefoods.in/static/images/pdf/policies/hfl-br-policy.pdf								
2.	Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	<ul style="list-style-type: none"> ▪ ISO 22000:2018 (Food Safety Management System) ▪ ISO 9001:2015 (Quality Management System) ▪ ISO 45001:2018 (Occupational Health & Safety) ▪ ISO 14001:2015 (Environmental Management System) ▪ ISO 50001:2018 (Energy Management System) ▪ HALAL Certification by JUHF ▪ FSSC 22000 v 5.1 <p>The Company also has AgMark, BIS and EIA certificates.</p>								
5.	Specific commitments, goals and targets set by the Company with defined timelines, if any.	To be a nationally recognised brand for healthy and fresh products in dairy, drinkables segment.								

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9										
6.	Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	<p>Key Performance targets across ESG parameters are set internally and tracked and acted upon continuously. These are Waste Generation, Water usage , Energy Consumption Efficiency, cost reduction through technology . Over the past year, Heritage Foods has invested in energy-efficient equipment, implemented water-saving measures, and launched a comprehensive recycling program. It has also worked to improve supply chain sustainability by promoting responsible farming practices among its suppliers . In cases where sustainability targets are not met, the company has a plan in place to identify the root causes and take corrective action. This may include investing in new technologies, revising operational procedures, or providing additional training for staff that is planned until FY 2025.</p> <p>Heritage Foods has also implemented ISO 14001:2015 (Environmental Management System) and ESG KPI and actual results are now being technologically tracked from FY 24-25 onwards for more control over the sustainability measures in the company and its operations .</p>																		
Governance, leadership and oversight																				
7.	Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>) Mrs. N. Bhuvaneshwari - Vice Chairperson & Managing Director As the Managing Director responsible for business responsibility, the Company has made significant progress in addressing key Environmental, Social and Governance (ESG) challenges. Our focus on sustainability has not only helped us meet our targets but also improved the overall impact of our operations on the environment, our stakeholders and the communities we serve. The Company has achieved important milestones such as reducing our carbon footprint, increasing our engagement with suppliers to ensure ethical sourcing practices and investing in local communities through various initiatives. We are committed to continuously improving our ESG performance and are setting new targets for the future.																			
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)	Mrs. N. Bhuvaneshwari - Vice Chairperson & Managing Director and Mrs. N. Brahmani - Executive Director under the guidance of the Board of Directors and its Committees.																		
9.	Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company does not have a committee for decision-making on sustainability concerns. However, the Board of Directors and the Senior Management team monitor various aspects of social, environmental, governance and economic responsibilities of the Company on a continuous basis.																		
10.	Details of review of NGRBCs by the Company:																			
	Subject for review	Indicate whether review provided below taken by Director/Committee of the Board/any other Committee								Frequency (Annually/Half-yearly/ Quarterly/Any other – please specify)										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 10	P 11	P 12	P 13	P 14	P 15	P 16	P 17	P 18	P 19
	Performance against above policies and follow up action	Committee of the Board								Annually updated. Periodically reviewed under Operational policies and governance reviews. The Department heads and the leadership team review the Company's Business Responsibility Policies on a regular basis or as needed. Efficacy of policies is reviewed, and necessary modifications to policies and processes are implemented during this assessment Refer : https://www.heritagefoods.in/static/images/pdf/policies/hfl-br-policy.pdf										
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances									Annually . The Company is following all applicable regulations.										

11.	Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No								
		However, all the policies and process of the Company are internally evaluated in the Company from time to time.								

12. **If answer to question (1) above is 'No' i.e., not all Principles are covered by a Policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable as Heritage Foods is in adherence to its set Policies given under Business responsibility policy published in its website.

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

The company's proactive stance is exemplified by the implementation of a comprehensive Code of Conduct that precisely outlines the organization's objectives, responsibilities, and guidelines for employees and senior management team. This code leaves no room for ambiguity and is mandatory for every individual within the company. The unwavering commitment to upholding the highest ethical standards is evident in this initiative. By setting clear expectations and providing guidance through the Code of Conduct, the company equips employees with the necessary tools and knowledge to seamlessly integrate ethical principles into their daily practices. This proactive approach creates an environment where ethical conduct becomes inherent in every employee's professional journey, thereby enhancing the overall integrity and reputation of the organization. This is enshrined in the website Link : https://www.heritagefoods.in/uploads/investors/pdf/1605093903916-Code_of_Conduct_for_Senior_Management_and_Board.pdf

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	The Board of Directors of the Company is periodically briefed on various developments concerning ESG initiatives as well as various Government Regulations and its impact on the Company's operations. The KMPs and Senior Management are also kept up to date on the Company Code of Conduct, the provisions of SEBI (Prohibition of Insider Trading) Regulations and Whistle Blower Policy.	100%
Key Managerial Personnel	3	Leadership/Winning ways	100%
Employees other than Board of Directors and KMPs	214	<ul style="list-style-type: none"> • Functional • Behavioural • Health and safety • Trade . Dairy industry innovation awareness trainings for existing and new product lines. 	92%
Workers	-	-	-

2. **Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

(Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR) Brief of the Case Has an appeal	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle-1	Assistant Commissioner of Central Tax, Ameerpet GST Division, Hyderabad, Telangana	9,702	Penalty levied on account certain ineligible Input tax credit	No
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Nil- not applicable	

4. **Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, The Company has an anti-corruption and anti-bribery policy, the policy is to safeguard and promote legitimate business throughout the Company and to prevent and prohibit corruption, bribery and similar acts in connection with the Company. it is available on the website of the Company at https://www.heritagefoods.in/uploads/investors/pdf/169095716345-Anti_Bribery_and_Anti-Corruption_Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.**

There are no material fines, penalties levied, or actions taken by regulators, law enforcement agencies or judicial institutions related to cases of corruption and conflicts of interest, however Assistant Commissioner of Central Tax, Ameerpet GST Division, Hyderabad, Telangana levied a penalty of Rs,9,702 on account certain ineligible Input tax credit..

8. Number of days of accounts payables

	FY 2023-24	FY 2022-23
i) Accounts payable x 365 days	30149580000	26346870000
ii) Cost of goods/services procured	10590000000	7175600000
iii) Number of days of accounts payables	28	37

9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format

Parameter	Metrics	FY 2023-24	FY 2022-23	
Concentration of Purchases	a. i) Purchases from trading houses	0	0	
	ii) Total purchases	0	0	
	iii) Purchases from trading houses as % of total purchases	0	0	
	b. Number of trading houses where purchases are made	0	0	
	c. i) Purchases from top 10 trading houses	0	0	
	ii) Total purchases from trading houses	0	0	
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	0	0	
	Concentration of Sales	a. i) Sales to dealer / distributors	0	0
		ii) Total Sales	0	0
iii) Sales to dealer / distributors as % of total sales		0	0	
b. Number of dealers / distributors to whom sales are made		0	0	
c. i) Sales to top 10 dealers / distributors		0	0	
ii) Total Sales to dealer / distributors		0	0	
iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors		0	0	
Share of RPTs in		a. i) Purchases (Purchases with related parties)	1001391047.67	745290635.40
		ii) Total Purchases	28928890000.00	27709810000.00
	iii) Purchases (Purchases with related parties as % of Total Purchases)	3.46%	2.69%	
	b. i) Sales (Sales to related parties)	1,93,78,089.77	2,04,80,000.00	
	ii) Total Sales	37343450000	32086750000	
	iii) Sales (Sales to related parties as % of Total Sales)	0.05%	0.06%	
	c. i) Loans & advances given to related parties	0	0	
	ii) Total loans & advances	34140000	25470000	
	iii) Loans & advances given to related parties as % of Total loans & advances	0.00%	0.00%	
	d. i) Investments in related parties	98000000.00	55500000	
	ii) Total Investments made	1712210000	650900000	
	iii) Investments in related parties as % of Total Investments made	5.72%	8.53%	

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
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The Company has not organised dedicated training sessions on the NGRBC principles for our value chain partners for FY 2023 -24. We plan to do this by FY'25 as part of the onboarding process. However the sustainability KPI's on energy consumption efficiency , fuel consumption, Sustainable fodder and other core components of the principles are discussed during vendor onboarding, evaluation and periodic review meetings with some of the important vendors.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the Company has a Code of Conduct for the Board and Senior Management, which includes areas of ethics, integrity, honesty, and provides guidelines and processes on addressing unethical behaviour. The Code also details the processes in place to manage conflicts of interest involving board members, contributing to a culture of transparency and accountability. Refer Link published in the companies website : https://www.heritagefoods.in/uploads/investors/pdf/1605093903916-Code_of_Conduct_for_Senior_Management_and_Board.pdf

Principle 2: Business should provide goods and services in a manner that is sustainable and safe.

The Company understands the risks associated with goods and services and the subsequent environmental impacts they may have. To ensure an eco-friendly sourcing process, the Company actively engages in various Environmental and Social Impact (ESI) initiatives that support and empower farmers in supplying milk. These initiatives not only ensure a sustainable supply chain but also promote responsible farming practices and benefit the agricultural community as a whole.

Moreover, the Company is committed to mitigate the adverse effects of plastic waste. It actively participates in plastic recycling initiatives, recognizing the importance of responsible waste management. By promoting recycling and seeking innovative solutions, the Company strives to minimize plastic waste and contribute to a circular economy that conserves resources and reduces environmental harm.

Through these combined efforts, the Company demonstrates its dedication to sustainable practices, environmental stewardship, and positive socio-economic impacts. By prioritizing responsible sourcing and actively engaging in recycling initiatives, the Company sets an example for others in the industry to adopt similar environmentally conscious practices. Together, we can work towards a greener and more sustainable future.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	25.00%	30.00%	<ul style="list-style-type: none"> Developed innovative process/solutions can- reduced the environmental footprint of food production Eeg. Utilization of whey instead of disposing. Developed multiple products with improved nutrition & diversion and inclusions. Eg. Millet sweets, Easy digestion, Probiotics & fortified milk etc. Developing the recyclable packaging solutions etc.
Capex	8.44%	11.00%	The Company is taking a lot of initiatives for conservation of energy. The Company is continuously investing in latest technologies and efficiencies to conserve energy and improve the environmental and social impacts of products and processes.

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No. The Company is planning to introduce sustainable sourcing in the coming years starting FY25 as part of the NETZERO Carbon reduction footprint.

Over the last 32 years, the Company's milk sourcing has risen many folds. The Company has a sustainable sourcing strategy from farmers across the states in which we operate. To keep the sourcing environment-friendly, the Company engages in a variety of initiatives which help farmers keep supplying milk to the Company. The Company has also implemented green energy measures in order to generate power from renewable sources.

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable. This is planned in 2 years' time horizon , with technology automation and AI innovation.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Since, the Company is dairy based Company, all the products are of perishable in nature (consumption base) they are not meant to be recycled. However, during the production process, the Company recycle effluent water used in our production facilities for washing milk storage tankers and crates, gardening etc.

1. **(a) Plastics (including packaging):** Plastic plays a crucial role in maintaining product safety and reducing leaks and thus making it a significant component. However, the plastic waste generated by factories is a major contributor to environmental pollution. The company is dedicated to mitigating the effects of plastic waste

by actively participating in plastic recycling initiatives. Heritage foods limited is ideating and in the process of adopting the following :

1. Awareness Campaigns to educate consumers about the importance of recycling and how to properly dispose of plastic milk packets.
2. Collection Programs: setup to collect used milk packets from consumers for recycling in Pilot localities in FY24-25.
3. Partnerships with Recyclers being discussed for FY'25 to ensure that collected milk packets are properly recycled and other last mile consumer incentive programs to return milk packets from some of the Indian industry organic milk dairy practice use cases.

(b) E-waste: As environmentally responsible organization, the Company is disposing off electronic waste to authorised IT dismantling, refurbishing & servicing facility after using up to maximum period. All such E-wastes are being disposed of through registered E-waste vendors and -e-waste certificate issued.

(c) Hazardous waste: The waste -water effluent Chemical Oxygen Demand (COD) and generated wastewater from dairy processing facilities can contribute to significant organic content and biochemical oxygen demand (BOD). This has been treated with anaerobic digestion or aerobic treatment systems to break down organic matter in wastewater to ensure that 1.63MT of wastewater is safely disposed during the year.

(d) Other waste: Our Company engages with certified waste handlers for disposal of waste, such as Waste from cleaning of dairy equipment , waste from farming operations such as manure , used bedding material .

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board (PCB)

Leadership Indicators -

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
No Life Cycle Assessments have been conducted yet.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. No

Name of Product / Service	Description of the risk / concern	Action Taken
As the products of the Company are dairy based, there are no substantial social or environmental concerns and/or risks arising from production or disposal of the same.		

3. **Percentage of recycled or reused input material to total material (by value)** used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2024	FY2023
	NA	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY2024			FY2023		
	Re-used	Re-cycled	Safely Disposed	Re-used	Re-cycled	Safely Disposed
Plastics*						
(including packaging)						
• Plastic Scrap/Pre consumer waste	0	473.65 MT	473.65 MT	0	707.30 MT	707.30 MT
• Post-Consumer Waste	0	4066.90 MT	4066.90 MT	0	2428.41 MT	2428.41 MT
E-waste	0	0	0.80 MT	0	0	0.76 MT
Hazardous waste	0	1.63 MT	1.63 MT	0	1.28 MT	1.28 MT
Other waste	260.93 MT	0	260.93 MT	205.59 MT	0	205.59 MT
- (ETP Sludge)						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains.

Heritage is an organization that prioritizes its people, recognizing that employee well-being is crucial for driving productivity and overall success. The company is committed to fair employment practices and equal opportunities, ensuring that individuals with the necessary qualifications are given a fair chance to contribute. Moreover, Heritage places a strong emphasis on the health and safety of its employees.

By embracing fair employment practices, Heritage cultivates a diverse and inclusive workforce, where every individual has an equal opportunity to thrive, fostering a sense of belonging, team performance, and innovation.

Furthermore, Heritage values the well-being of its employees, understanding that a healthy and safe work environment is essential for engagement, motivation, and productivity. The company implements robust health and safety measures, continually striving to create a workplace that supports both physical and mental well-being.

Essential indicators:

1. a. Details of measures for the wellbeing of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	3163	3163	100	3163	100	0	0	3163	100	0	0
Female	62	62	100	62	100	62	100	0	0	62	100
Total	3225	3225	100	3225	100	62	1.90	3163	98.10	62	100
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the wellbeing of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
Other than Permanent Workers.											
Male	2638	0	0	2638	100	0	0	0	0	0	0
Female	625	0	0	625	100	0	0	0	0	0	0
Total	3263	0	0	3263	100	0	0	0	0	0	0

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY2024			FY2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	0	YES	100%	0	YES
Gratuity	100%	0	YES	100%	0	YES
ESI	18.38%	0	YES	21%	0	YES
Others- please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Yes, the offices of the Company are accessible to all its employees including differently abled persons. There are awareness trainings held during the year for inclusion and PWD. The company does not have PWD workers at present.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

By maintaining an environment that promotes equality and fairness, the Company aims to create an inclusive workplace where all individuals, regardless of their race, colour, religion, sex, national origin, age, sexual orientation, or any other protected characteristic, are treated with dignity and respect. The Company prohibits any form of discrimination, harassment, or retaliation against individuals based on the aforementioned protected characteristics.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	0	0
Female	0	0	0	0
Total	100%	100%	0	0

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	No
Other than permanent workers	No Non-permanent workers on plants are contracted via a third party and their grievance redressal mechanism rests with the contractors. The Company ensures that all norms and regulations are followed while working on plants.
Permanent employees	Yes, The Company has a policy for Whistle Blower and Protection of Whistle Blower Policy in place which provides guidance to raise a complaint(s) and protection of the person in case of any concerns. The company has constituted the grievance committee and also provided complain/suggestion boxes for any type of complaints/grievances across the locations it operates.
Other than permanent employees	No All Employees working in India are permanent employees.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY2024			FY2023		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	3225	0	0	3212	0	0
-Male	3163	0	0	3150	0	0
-Female	62	0	0	62	0	0
-Others	0	0	0	0	0	0
Total Permanent Workers	0	0	0	0	0	0
-Male	0	0	0	0	0	0
-Female	0	0	0	0	0	0
-Others	0	0	0	0	0	0

Note: Heritage Foods, primarily engaged in the procurement, processing, manufacturing and distribution of milk and other dairy products. The company operates in several states across India and has a significant workforce but not having any employee's association or unions.

8. **Details of training given to employees and workers:**

Category	FY2024					FY2023				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3163	2300	72.72%	2907	92.91%	3150	2200	69.84%	1700	53.97%
Female	62	62	100%	62	100%	62	36	58.06%	32	51.61%
Others	0	0	0	0	0	0	0	0	0	0
Total	3225	2362	86%	2969	95%	3212	2236	69.61%	1732	53.92%
Workers										
Male	2638	1989	75.40%	1674	63.45%	2039	1370	67.19%	1039	50.96%
Female	625	498	79.68%	498	79.68%	1097	690	62.90%	671	61.17%
Others	0	0	0	0	0	0	0	0	0	0
Total	3263	2487	77.53%	2172	71.56%	3136	2060	65.69%	1710	54.53%

9. **Details of performance and career development reviews of employees and workers:**

Category	FY2024			FY2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3163	3163	100%	3150	3150	100%
Female	62	62	100%	62	62	100%
Others	0	0	0	0	0	0
Total	3225	3225	100%	3212	3212	100%
Workers						
Male	2638	0	0%	2039	0	0
Female	625	0	0%	1097	0	0
Others	0	0	0	0	0	0
Total	3263	0	0%	3136	0	0

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, The Safety & Health Management system covers activities across all manufacturing locations, offices & research laboratories and ensuring the protection of environment and health & safety of its employees, contractors, visitors, and relevant stakeholders.

The Company has implemented OHSAS 18001 for ensuring the health and well-being of its employees. Awareness sessions are conducted on safety related aspects for the employees. Training related to Hazard Analysis Critical Control Point (HACCP) and Total Productive Maintenance are also provided. The Company is focused on both, the physical and mental health of its employees and has organised various programmes and discussions with well-being specialists and medical practitioners.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The entity deployed a range of processes to systematically identify work-related hazards and assess risks on both routine and non-routine base. These processes are instrumental in ensuring a safe and healthy work environment for employees.

- Gemba walk
- Hazard identification & Risk assessment with Shop floor people
- Internal and External audit
- Why-why analysis

c. **Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has processes for workers to report the work-related hazards and to remove themselves from such risks.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) : No**

11. **Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Worker		
Total recordable work-related injuries	Employees	0	0
	Worker		
No. of fatalities	Employees	0	0
	Worker		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Worker		

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company priorities maintaining a safe and healthy workplace for all its employees and workers. The Company has started a Health Wellness programme where it offers a range of reliable self-help resources. Additionally, the Company engaged third party personalised help from professional counselors and dietitians supporting physical health and wellbeing. This ensures the employees and workers can dedicate their time efficiently towards their personal wellbeing and professional work. The Company also conducts awareness sessions covering safety aspects. Trainings related to Hazard Analysis Critical Control Point (HACCP).

13. **Number of Complaints on the following made by employees and workers:**

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. **Assessments for the year:**

Particulars	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Against the backdrop of the pandemic, the Company has been following standard operating procedures to comply with state/local level regulations while ensuring safety and hygiene protocol. It is also ensure that appropriate social distancing is being followed by all employees and workers in the offices and manufacturing plants. During the reporting period, the Company reported no fatalities of any employee while on duty by adhering to OHSAS 18001 guidelines, for ensuring the health and well-being of its employees.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company provides life insurance, personal accident coverages and other compensatory packages to the bereaved family members of the permanent employees and also providing personal accident coverages for workers.

2. **Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

The statutory payment due and paid thereof by the value chain partner and reminded them if it was not honoured in time and ensure that the statutory payment honoured the value chain partner, where ever required.

3. **Provide the number of employees / workers having suffered grave consequences due to work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2024	FY2023
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

The Company does not provide transition aid programmes to facilitate continued employability and the management of career endings due to retirement or termination of employment. However depending upon the retiring employee health and other conditions, he/she may be engaged for further period.

5. Details on assessment of value chain partners:

Heritage Foods, as a company involved in the food industry, prioritize the health and safety practices of farmers who contribute to their supply chain. Here are some key health and safety practices that Heritage Foods implement towards farmers:

1. Heritage Foods provide comprehensive training and orientation programs to farmers, focusing on best practices for health and safety milch animals.
2. The company conducts regular hazard assessments on the farms to identify potential risks and hazards that could affect the health and safety of farmers.
3. Heritage Foods collaborated with healthcare professionals for providing regular health check-ups and screenings for farmers. This can help identify any occupational health issues early on and provide appropriate medical support and interventions.

Implementing these health and safety practices demonstrates the Company's commitment to the welfare of farmers.

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	- 0.00% - The farmers supplying milk constitute the major part of the value chain partner of the company.
Working Conditions	- 0.00% - The Company have a mechanism to demonstrate health and safety practices to all of its farmers.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:** Not applicable

Principle 4: Business should respect the interests of and be responsive to all its stakeholders

Stakeholder engagement is a strategic tool that enables the company to navigate market dynamics, regulatory requirements, and social expectations. Through proactive communication and collaboration, the company builds strong relationships based on mutual understanding.

By engaging with stakeholders effectively, the company earned trust and credibility, demonstrating its commitment by meeting their expectations. By actively listening to their needs and preferences, the company gains valuable insights to make informed decisions, develop sustainable strategies, and improve overall performance.

1. Describe the processes for identifying key stakeholder groups of the Company.

The company believes in fostering meaningful and transparent relationships by actively engaging with its stakeholders. The company aims to establish long-term partnerships based on trust and a shared willingness to collaborate. The company defines stakeholders as individuals, groups, or organizations that have a material influence on, or are materially influenced by, its activities. The Company regularly engages with the stakeholders through various channels to ensure effective communication. The company proactively shares relevant information through multiple means such as meetings, annual reports, CSR reports, press releases, and more. The company strives to make this communication process a two-way, encouraging feedback and dialogue. The company values the input from its stakeholders as it helps identify areas for improvement and enhance its operations. The company welcomes feedback from its stakeholders and believes it is crucial in shaping its growth. By actively listening to their concerns and suggestions, the company can continuously learn and evolve. The following table mentions different modes through which we engage with our stakeholders and concerns discussed with them. Presently, the key stakeholders are Shareholders, Employees, Vendors, Customers, Regulators, Suppliers and Farmers.

2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	Other	Digital as well as physical channels of communication including but not limited to e-mails	Others – please specify	Ongoing	The Company follows an open-door policy.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
2	Shareholders and investors	No	Other	Emails, Newspaper, Analyst Calls, Quaterly/ Annual Result, Press Release, Presentation, Stock Exchanges and Website	Others – please specify	Ongoing	To give an update on the developments in the Company
3	Customers	No	Other	Advertisements, Website	Others – please specify	Ongoing	Stay in touch with customers and to receive their feedback on various products that the Company manufactures and deals with.
4	Vendors and suppliers	No	Other	Email, Meetings and Website	Others – please specify	Ongoing	Stay in touch with vendors and suppliers, who supply and deal in the products of the Company.
5	Farmers	No	Other	APP, SMS and Meetings	Others – please specify	Ongoing	Timely payment for milk procurement and also the Company engages with dairy farmers and other farmers who form a part of the value chain directly or indirectly for training/awareness on good farming practices, helping them to grow high genetics, providing high quality feed, and develop resilient, sustainable farms.
6	Communities and NGOs	No	Community Meetings		Others – please specify	On need basis	For supporting various initiatives taken for community development
7	Regulatory Authorities	No	Other	Email and submissions	Others – please specify	On need basis	In relation to Compliances with applicable laws, Industry concerns, changes in regulatory frameworks, skill and capacity building, employment

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company maintains consistent and proactive engagement with our major stakeholders, that allows the Company to articulate the strategy and results. To align expectations, the Company encourages effective communication and participation. The Board is regularly updated on important developments, and their feedback is solicited.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the stakeholder engagement included consultation of ESG topics. The materiality assessment identified a list of material themes that are the most relevant and applicable to the Company, and measures will be taken in response to them. The Company make certain that it incorporates stakeholder inputs into processes and policies. Link : <https://www.heritagefoods.in/static/images/pdf/brsr.pdf>

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company conducts need based assessments in the communities it operates prior to starting the projects there. All the projects involve active stakeholder consultations and engagements to understand their stance and address their concerns.

Principle 5: Business should respect and promote human rights.

The Company understands that safeguarding human rights is not just a moral obligation but also a vital responsibility that shapes its business practices. It is committed to fostering an inclusive, equal, and respectful culture that values every individual, regardless of their background. By upholding the inherent dignity and rights of all, the Company strives to create a positive and empowering work environment that enables everyone to thrive.

Recognizing the importance of human rights, the Company promotes diversity, inclusivity, and equal opportunities for its employees. It ensures fair and respectful treatment for all individuals and values diverse perspectives and experiences. By nurturing such an environment, the Company encourages creativity, innovation, and collaboration among its workforce, driving sustainable and ethical business operations.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY2024			FY2023		
	Total (A)	No. of /workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	3225	3225	100	3212	3212	100%
Other than Permanent	0	0	0	0	0	0
Total Employees	3225	3225	100	3212	3212	100%
Workers						
Permanent	0	0	0	0	0	0
Other than Permanent	3263	3263	100	3136	3136	100%
Total Workers	3252	3252	100	3136	3136	100%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY2024						FY2023			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	225	0	0	3225	100	3212	77	2.39%	3135	97.60
Male	0	0	0	3163	100	3150	75	2.38%	3075	97.62%
Female	0	0	0	62	100	62	2	3.45%	60	96.77%
Others	0	0	0	0	0	0	0	0	0	0
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0	0
Other than Permanent	3252	3252	100%	0	0%	3136	3136	100%	0	0%
Male	2638	2638	100%	0	0%	2039	2039	100%	0	0%
Female	652	625	100%	0	0%	1097	1097	100%	0	0%
Others	0	0	0	0	0	0	0	0	0	0

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	4	6,30,000	3	6,21,00,000
Key Managerial Personnel (KMP)**	4	1,37,95,000	2	6,98,60,000
Employees other than BoD and KMP	3,159	2,77,029	60	3,07,683

* Includes salary, perquisite, performance/annual pay and sitting fees

** Including Whole-Time Directors

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has dedicated teams within its Human Resources Department at the various operating facilities, which is tasked with addressing any human rights concerns that may arise. .

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

At Heritage Foods internal complaints committees are constituted for redressing the issues related to human rights. The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. The Company encourages reporting of any harassment concerns and responsive to complaints about harassment or other unwelcome or offensive conduct. The Internal complaints Committees are constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required.

The Company also provides training and resources to all employees on human rights and encourages a culture of respect and inclusion. Regular assessments and audits are also conducted to monitor compliance with our human rights policies and to identify any areas for improvement.

6. **Number of Complaints on the following made by employees and workers:**

Particulars	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human rights related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY (2023-24)	PY (2022-23)
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Female employees / workers	0	0
iii) Complaints on POSH as a % of female employees / workers		
iv) Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. The Company encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of the aspects of sexual harassment and of the redressal mechanism. This is enshrined in the Business Responsibility and Code of Conduct.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

10. **Assessment for the year:**

Particulars	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	Nil

Note: The Internal & external Auditors conduct assessments as per the Audit schedule. Assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification.

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

The company has various policies which are updated from time-to-time which address concerns arising from the assessments.

Leadership Indicators

1. **Details of a business process being modified / introduced because of addressing human rights grievances/ complaints.**

The Company regularly reviews all its policies and business processes and updates are made as applicable, in line with regulatory changes or internal requirements. .

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

Currently, HFL does not conduct human rights due diligence.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, all premises and offices are accessible to differently abled visitors.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forced Labour/Involuntary Labour	0
Wages	0
Others – please specify	0

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable

Principle 6: Business should respect and make efforts to protect and restore the environment.

The organization recognizes the significant interdependence between its operations and the environment and actively takes measures to minimize its ecological footprint and contribute to the restoration of natural surroundings. With a strong commitment to sustainability, the organization has implemented a range of initiatives aimed at enhancing energy efficiency and reducing emissions.

Aligned with its environmental stewardship, the organization embraces the principles of a circular economy throughout its value chain, placing a strong emphasis on resource reduction, reuse, and recycling. By adopting this approach, the organization maximizes resource efficiency, minimizes waste, and creates new avenues for sustainable growth and innovation.

Furthermore, the organization prioritizes compliance with environmental regulations and laws to ensure the protection of the environment and uphold responsible practices. By doing so, it strives to maintain a harmonious balance between its operations and the natural world.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Whether total energy consumption and energy intensity is applicable to the company?		Yes	
		FY 2023-24	FY 2022-23
Revenue from operations (in ₹)		37343450000.00	32086750000.00
Parameter	Units	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	Gigajoule (GJ)	67287.16	57439.91
Total fuel consumption (B)	Gigajoule (GJ)	0.00	0.00
Energy consumption through other sources (C)	Gigajoule (GJ)	0.00	0.00
Total energy consumed from renewable sources (A+B+C)	Gigajoule (GJ)	67287.16	57439.91
From non-renewable sources			
Total electricity consumption (D)	Gigajoule (GJ)	165052.52	149842.09
Total fuel consumption (E)	Gigajoule (GJ)	3317.81	4786.35
Energy consumption through other sources (F)	Gigajoule (GJ)	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F)	Gigajoule (GJ)	168370.33	154628.44
Total energy consumed (A+B+C+D+E+F)	Gigajoule (GJ)	235657.49	212068.35
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoule (GJ) / ₹	0.0000063105	0.0000066092
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoule (GJ) / ₹	0.0000063105	0.0000083192
Energy intensity in terms of physical Output	Gigajoule (GJ)	0.0003198	0.0003076
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency.

2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY2024	FY2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0.00
(ii) Groundwater	886674.82	835101.09
(iii) Third party water	32968.25	50881.93
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i>	919643.07	885983.02
Total volume of water consumption (in kilolitres)	919643.06	885983.02
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000246266	0.0000276121
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000246266	0.0000267616
Water intensity in terms of physical output	0.004493	0.004626

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency.

2. **Provide the following details related to water discharged:**

Parameter	FY2024	FY2023
Water discharge by destination and level of treatment (in kilolitres)		
i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	790232.54	746011.71
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	790232.55	746011.71

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency

5. **Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the Company is committed to reduce its environmental impact and preserve the planet for future generations. That's why the Company has implemented a zero liquid discharge program, aimed at eliminating all liquid waste from our operations. Our program covers all aspects of our operations and is designed to minimize the release of harmful chemicals and other pollutants into the environment. The Company has invested in state-of-the-art effluent treatment plant and discharge systems and are constantly seeking new ways to improve our processes and reduce environmental impact. During our production process, the Company recycle effluent water used in our production facilities for washing milk storage tankers, crates, gardening etc.

6. **Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:**

Parameter	Unit	FY2024	FY2023
NOx	µg/m ³	22.14	24.73
SOx	µg/m ³	20.03	22.44
Particulate matter (PM)	µg/m ³	61.29	58.33
Persistent organic pollutants (POP)	0	0	0
Volatile organic compounds (VOC)	0	0	0
Hazardous air pollutants (HAP)	0	0	0
Others – please specify	0	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2024	FY2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	0	0
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	0	0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MtCO ₂ e / ₹	0	0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MtCO ₂ e / ₹	0	0
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MtCO ₂ e	0	0
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency.

8. **Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

The Company has rolled out several initiatives to increase energy efficiency and reduce emissions. Some of the initiatives implemented in FY 2023-24 are as follows:

- 1) Switchover to LED lights
- 2) Solar/wind power plant installation

As a result of this there is a reduction in energy consumption by 96,857.83 GJ , which is a 36.91% increase in Scope 1 Energy efficiency between FY'24 and FY'23.

9. **Provide details related to waste management by the Company, in the following format:**

Parameter	FY2024	FY2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	4066.90	2428.41
E-waste (B)	0.80	0.76
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous Waste. Please specify, if any - waste oil generation. (G)	1.63	1.28
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) - ETP sludge generation	260.93	205.59
Total (A+B + C + D + E + F + G + H)	4330.25	2636.04
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000116	0.0000000822
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000116	0.0000000822
Waste intensity in terms of physical output	0.000021	0.000014
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	FY 2023-24	FY 2022-23
(i) Recycled	4066.90	2428.41
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	4066.90	2428.41

For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)

Category of waste	FY 2023-24	FY 2022-23
(i) Incineration	0	0
(ii) Landfilling	260.93	205.59
(iii) Other disposal operations	1.63	1.28
Total	262.56	206.87

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency.

10. **Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Hazardous waste and chemicals are stored as per Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company has not conducted any environmental impact assessment in FY 2023-24					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).**

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

The Company complies with all applicable environmental regulations. There have been no reported or detected incidents of non-compliance from the Company's end related to the environment in FY'23-24.

Leadership Indicators -

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility or plant located in areas of water stress, provide the following information:

- (i) Name of the area : NA
(ii) Nature of operations : NA
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2024	FY2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY2024	FY2023
Total Scope 3 emissions			
(Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		NA	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment was carried out by any external agency

3. **With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

The Company does not have any operations in ecologically sensitive areas.

4. **If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Outcome of the initiative
1	All plants are operating Effluent Treatment plants	During the production process, the Company recycle effluent water used in our production facilities for washing milk storage tankers and crates, gardening etc.	Saved water	NA

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the Company has implemented a robust risk management framework. This framework is designed to identify, assess, and mitigate various risks that could potentially impact the Company's operations, reputation, or stakeholders. By proactively identifying potential hazards and vulnerabilities, the Company takes appropriate measures to minimize the likelihood and impact of detrimental events.

Refer to Link : <https://www.heritagefoods.in/static/images/pdf/policies/risk-management-policy.pdf>

The risk management framework encompasses a systematic approach to risk identification, analysis, evaluation, and mitigation. It involves the active involvement of key stakeholders, the implementation of preventive measures, and the establishment of contingency plans to address potential risks effectively. The company Heritage Foods Limited, risk management, disaster continuity and disaster management plan, are based on fundamental, underlying risk principles that are consistent with ISO 31000 (Risk Management – Principles & Guidelines); and, the COSO Standard for Enterprise Risk Management.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The Company's operations do not adversely impact the environment due to its responsible supply chain activities.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

0.00%

As of now, the Company does not have any formal assessment mechanism to monitor the environmental impact of its value chain partners' activities. All vehicles used in the transportation of milk and milk products comply with the emission norms of concerned state.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

The organization demonstrates a strong awareness of the influence that public policy and regulatory frameworks exert on its operations and the wider ecosystem. Collaboration with regulatory authorities allows the organization to effectively fulfill its duties towards a diverse range of stakeholders, including customers, consumers, employees, suppliers, vendors, and communities. By forging these partnerships, the organization ensures that its actions are conducted in an effective and responsible manner, keeping the welfare of stakeholders at the forefront.

Essential indicators

1. **a. Number of affiliations with trade and industry chambers/associations.**

The company has associated with three industry chambers..

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	The Federation of Telangana and Chambers of Commerce and Industry (FTCCI)	State
2	Confederation of Indian Industry (CII).	National
3	Indian Dairy Association	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
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There are no incidences of corrective action taken or underway on concerns related to anti-competitive conduct by the Company in FY 2023-24

Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
Nil					

Principle 8: Businesses should promote inclusive growth and equitable development.

The organization firmly upholds the belief that inclusive growth is a fundamental prerequisite for attaining long-term success. It acknowledges the imperative of creating an environment that enables equitable access to development opportunities for all members of society. With a steadfast commitment to sustainable value creation, the organization actively works towards serving the collective interests of the community.

Through its dedicated Corporate Social Responsibility programs, the Company strategically allocates resources and efforts to initiatives that foster equitable growth. It recognizes that promoting social inclusion and addressing societal challenges are integral to its role as a responsible corporate entity. By investing in various social development projects and initiatives, the organization seeks to empower marginalized communities, bridge socio-economic gaps, and facilitate equal opportunities for all.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Company has not undertaken any social impact assessment of its projects					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Nil						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company understands the importance of providing community with accessible channels to report their grievances and concerns. It has established a comprehensive system that enables community to voice their grievances through various communication channels. By actively listening to community concerns, following up on communications, and maintaining transparent processes, the Company strives to build strong community relationships and foster a collaborative environment.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2024	FY2023
Directly sourced from MSMEs/small producers	30.47%	22.65%
Sourced directly from within the district and neighbouring districts	0.00	0.00

* The Company shall start monitoring and reporting this data in future

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
NA			

During FY 2023-24, the Company has allocated ₹ 31.42 million for carrying out the CSR Activities under Ongoing/ multi-year project and the company has yet to spend the said amount as on 31st March 2024. The unspent amount of ₹ 31.42 million was transferred to unspent CSR account and will be spent on or before 31st March 2027 in accordance with the CSR Amendment Rules. However as on the report date the Company has transferred an amount of ₹ 30 million to NTR Memorial Trust, implementing agency out of the unspent amount of FY 2023-24.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes. The company procures the raw milk from the small & marginal farmers, through its representatives.

- (b) From which marginalized /vulnerable groups do you procure?

Small & Marginal farmers

- (c) What percentage of total procurement (by value) does it constitute?

99% of the milk procured directly from farmers

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
NA			

During FY 2023-24, the Company has allocated ₹ 31.42 million for carrying out the CSR Activities under Ongoing/ multi-year project and the company has yet to spend the said amount as on 31st March, 2024. The unspent amount of ₹ 31.42 millions was transferred to unspent CSR account and will be spent on or before 31st March 2027 in accordance with the CSR Amendment Rules. However as on the report date the Company has transferred an amount of ₹ 30 million to NTR Memorial Trust, implementing agency out of the unspent amount of FY 2023-24.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

The organization is driven by a consumer-centric approach, where it places the highest priority on actively engaging with its consumers and aligning its business strategies to surpass their expectations and deliver exceptional value.

Essential indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company provides its consumers with the highest level of service and products. We take consumer complaints very seriously. Our commitment to listening to and addressing the concerns of our customers is unwavering.

Established a robust system for receiving and responding to consumer complaints, ensuring that all feedback is heard and acted upon in a timely manner. The dedicated customer service team is trained to handle any situation with professionalism and empathy, and they work closely with our product teams to find solutions to any issues that may arise.

We believe that every customer deserves to have his/ her voice heard and We are committed to providing them with the support and attention they deserve. We are proud to have built a reputation for exceptional customer service and we shall continue to prioritize the satisfaction of our customers in all that we do.

As part of its commitment to customer satisfaction, the Company includes a toll-free number, customer care centre and an email address on its products, enabling customers to reach out in case of any grievances or queries. Link - <https://www.heritagefoods.in/contact-us>

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	On all our products, necessary regulatory information is disclosed. Information about FSSAI Certification is disclosed on all packaged products.
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

Particulars	FY2023		Remarks	FY2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Cyber- security	0	0	0	0	0	0
Delivery of essential services	0	0	0	0	0	0
Delivery of essential services	0	0	0	0	0	0
Restrictive Trade Practices	0	0	0	0	0	0
Unfair Trade Practices	0	0	0	0	0	0
Other (product related)	0	0	0	0	0	0

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. **Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes .The Company has an policy in place for ensuring cyber security, the same was available at <https://www.heritagefoods.in/uploads/investors/pdf/17156925425HFL-Cyber-Security-Policy.pdf>

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

No incidences reported

7. **Provide the following information relating to data breaches:**

- Number of instances of data breaches along-with impact: 0
- Percentage of data breaches involving personally identifiable information of customers: 0
- Impact, if any, of the data breaches: 0

Leadership Indicators

1. **Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

This is the web-link from which information on the products and services of the Company can be accessed:
<https://www.heritagefoods.in/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company takes utmost care to ensure that its products provide comprehensive information regarding safety measures, aiming to inform and educate consumers about the responsible and safe usage of the products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company ensures consumers are aware of any risk of disruption or discontinuation of essential services through surveys that include information on procedures, risks involved, benefits and alternatives available.

The Company is also bound under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to promptly inform the Stock Exchanges and upload in its website about any material event that may have a bearing on the Company's operations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, the entity demonstrates a strong commitment to adhering to local laws and regulations, particularly when it comes to providing accurate and comprehensive product information. As mandated by the relevant authorities, the entity ensures that all necessary product details, specifications and disclosures are prominently displayed for the benefit of consumers.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/ No)

Yes

