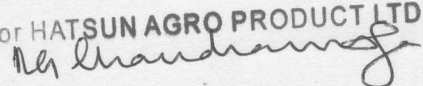


HATSUN AGRO PRODUCT LIMITED
REGD.OFFICE : NO.5A, VIJAYARAGHAVA ROAD,
T.NAGAR, CHENNAI 600 017.

INTERNAL CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

1. This code of conduct is known as **“INTERNAL CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING”**.
2. This code of Conduct will be hereinafter in this document referred to as **“Code of Conduct”**.
3. For the purpose of this Code of Conduct, all expression and words shall, unless the context otherwise requires, have the same meaning assigned to them in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as “the said Regulations”). Save as aforesaid, the following expressions shall mean as given below:
 - a) “Company” means Hatsun Agro Product Ltd.
 - b) “Board of Directors” means the Board of Directors of Hatsun Agro Product Ltd.
 - c) “Committee” means the committee consisting, for the time being, the following directors of the company as its members constituted by the Board of Directors of the Company for the implementation of these Regulations.
 - i. Shri R G Chandramohan, Chairman & Managing Director
 - ii. Shri K S Thanarajan, Joint Managing Director
 - iii. Shri C Sathyan, Executive Director - Operations

FOR HATSUN AGRO PRODUCT LTD.


Managing Director

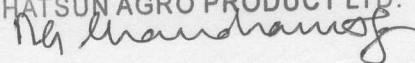
- d) "Compliance Officer" means the officer appointed by the Board of Directors of the Company for the purpose of these Regulations from time to time.
- e) "Dependant" mean dependants of designated employees including the spouse of the employee, dependant parents, dependant children, dependant brothers and dependant sisters.
- f) "Designated Employees" means all employees comprising the top four tiers of the company management and all employees of the top 3 tiers in the Finance Department, Accounts Department, Secretarial Department, EDP Department and such other employees who may be so designated from time to time by the company for the purpose of this code of conduct and who may be able to have access to any "Price Sensitive Information" as defined in these regulations.
4. This Code of Conduct comes into force with effect from 1st day of April, 2005 and it is issued on the authority of the Board of Directors of the Company and on the strength of the resolution passed by the Board of Directors on 28th day of March, 2005.
5. This code of conduct has been made pursuant to Regulation 12 of the SEBI (Prohibition of Insider Trading), Regulations, 1992 as amended from time to time.
6. Subject to the provisions of the said Regulations, this Code of Conduct may be modified by the Board of Directors of the company from time to time.

FOR HATSUN AGRO PRODUCT LTD.
Nh Chandrasekhar

Managing Director

7. This Code of Conduct is binding upon the company and its present and future directors, officers, and designated employees and their dependants and other connected persons within the meaning of the said Regulations.
8. This Code of Conduct shall stand amended without any further act or deed from the Board of Directors, if any amendment to the Regulations so require pursuant to such amendments.
9. For the purpose of this Code of Conduct, the Secretary of the company shall ipso facto be the Compliance Officer from time to time. He shall be responsible for setting forth policies, procedures, monitoring adherence to the Rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' and their dependents' trades (directly or through respective department heads as decided by the company), monitoring of trades and the implementation of the code of conduct under the overall supervision of the said committee of the Board.
10. Designated Persons shall be bound by the following:
 - a) Not to pass on any price sensitive information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the company.
 - b) Not to communicate any unpublished price sensitive information to any person except those within the company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

For HATSUN AGRO PRODUCT LTD.



Managing Director

- c) Not to communicate or counsel any unpublished price sensitive information to any person who while in possession of such unpublished price sensitive information shall not deal in the securities of the company.
- d) To keep the files containing confidential information relating to price sensitive information fully secured.
- e) To maintain strict protocol while dealing with electronic data by using such security precautions as may be expected of them by the Board of Directors or their superiors of the company from time to time.
- f) To forward details of their securities transactions including the statement of their dependent family members to the Compliance Officer in the following manner:

- All holdings of securities in this company by the person concerned at the time of joining and by others within a period of one month.
- Monthly statement of transactions in securities of the company exceeding the threshold limit (i.e. 1% of the company's paid-up capital or 25,000 shares or Rs.5 lacs in market value, whichever is lower). If there are no transactions in a particular month, then "NIL" statement need not be submitted.
- Annual statement of all holdings in securities of the Company to be submitted within 30 days of the close of the Financial Year.

11. The designated persons shall be subject to Trading transactions in the following manner, namely:

For HATSUN AGRO PRODUCT LTD.
Ne Chandramoj

Managing Director

a) TRADING WINDOW:

The Trading window will be closed before 10 days of the possibility of the happening of any one or more of the following events and shall remain closed upto 24 hours after the publication of the price sensitive information. For the purpose of determining the possibility of the happening of any event, a notice of meeting of the board or that of a committee of directors or a board note, or a resolution or an application before an appropriate authority containing any of the matter given below shall be sufficient.

- Declaration of Financial Results (Quarterly, Half-Yearly and Annual)
- Declaration of dividends (Interim and Final)
- Issue of Securities by way of public/rights/bonus etc.
- Any major expansion plan or execution of new project.
- Amalgamation, mergers, takeovers and buy-back.
- Disposal of the whole or substantially the whole of the undertaking
- Any changes in policies, plans or operations of the company.

b) RESTRICTIONS ON TRADING:

No designated person shall conduct any dealing in the securities of the company during the closure of the trading window. Trading Window may be closed by the Board during such time in addition to the above period as it may deem fit from time to time. The Compliance Officer shall give adequate information of such closures.

For HATSUN AGRO PRODUCT LTD.
Nh Chandran

Managing Director

c) PRE-CLEARANCE OF TRADES:

- All designated persons of the company intending to deal in the securities of the company exceeding the threshold limit of 1% of the company's paid-up capital or 25,000 shares or Rs 5 lacs in market value, whichever is lower will have to make an application to the Compliance Officer in the prescribed form for pre-clearance of the transaction.
- Only after receiving the pre-clearance, the transaction should be carried out.
- The execution of the order in respect of the security of the company will have to be completed within one week of approval of pre-clearance failing, which it will have to be cleared again.
- The pre-clearance requirement for trading shall be obtained in the form of a prescribed format as in **Annexure**. (Page No.10)

d) HOLDING PERIOD:

The investment in securities will have to be held for a minimum period of 30 days from the date of purchase/actual allotment. On compassionate grounds and for meeting exigencies of personal nature of the person concerned, the Compliance Officer may waive the 30 days holding period after recording reasons thereof.

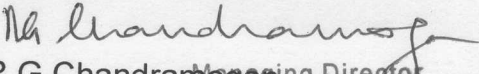
For HATSUN AGRO PRODUCT LTD.

Ny Chandrasekhar

Managing Director

12. The threshold limit referred above shall mean 1% of the company's paid-up capital or 25,000 shares or Rs 5 lacs in market value, whichever is lower.
13. Every director / officer / designated employee shall within 1 month from the date of commencement of this Code of Conduct execute in favour of the company, an undertaking duly executed by such director / officer / designated employee on a non-judicial stamp paper of appropriate value.
14. The said Regulations, the model code of conduct for insider trading contained in Part A of Schedule I referred under Regulation 12 of the said Regulations and the Code of Corporate Disclosure Practices for Prevention of Insider Trading contained in Schedule II referred under Regulation 12 of the said Regulations shall be deemed to be part and parcel of this Code of Conduct and shall be understood and complied with accordingly. A copy of the said Regulations is available with the compliance officer and at the registered office of the company. Every person bound by this Code of Conduct can demand and take a copy thereof or seek necessary clarifications and guidance from the compliance officer.
15. Every person who acts in contravention of this Code of Conduct is liable to be penalised and appropriate disciplinary action will be taken against him or her. Such disciplinary action may result in wage freeze, suspension and ineligibility for future participation in ESOP, if any.

For HATSUN AGRO PRODUCT LTD.


R.G. Chandramogan, Managing Director
Chairman and Managing Director.

Place: Chennai
Date : 28th March, 2005

ANNEXURE

Date :

To

The Compliance Officer,
Hatsun Agro Product Ltd.,
Chennai - 600 017.

Form for pre-clearance of trades

Kindly grant pre-clearance for dealing in the shares of the company as per details given below:

Sl. No.	Subject Matter	Answers
1.	Name	
2.	Designation	
3.	No. of Shares	
4.	DP Account No. and Depository details	
5.	Any other details	
6.	Signature	
7.	Date	

Note:

Dealing in shares means buying or selling or agreeing to buy or sell or deal by any person either as principal or as agent.

For HATSUN AGRO PRODUCT LTD.

Managing Director