Hatsun Agro Product Ltd.
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CIN: L15499TN1986PLC012547

HAPL\SEC\659\2018-19

29-March-2019

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

Stock Code: BSE: 531531
NSE: HATSUN

Dear Sir,

Sub: Amendment to the "Code of Conduct and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information"

Ref: Regulation 8(2) and Regulation 9(1) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018

We wish to inform you that Board of Directors at its Meeting held on 29th March 2019, has approved Amendment to the "Code of Conduct and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (the "Code") of the Company to align with the SEBI (Prohibition of Insider Trading) (Amendment)Regulations,2018.

In compliance with the regulation 8(2) of SEBI (Prohibition of Insider Trading) Regulations,2015, we are enclosing herewith the amended Code for reference and record.

Thanking you,

Yours faithfully,
For Hatsun Agro Product Limited,

RG Chandramogan

R.G.Chandramogan
Managing Director

HATSUN AGRO PRODUCT LIMITED

NEW CODE OF CONDUCT
UNDER REGULATION 9(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2018 (As Amended)
TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Adopted by the Board of Directors at their Meeting held on 29th March 2019.

HATSUN AGRO PRODUCT LIMITED
CIN: L15499TN1986PLC012747
REGD. OFF: DOMAINE, DOOR NO.1/20A,
RAJIV GANDHI SALAI (OMR)
KARAPAKKAM, CHENNAI – 600 097.
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NEW CODE OF CONDUCT UNDER REGULATION 9 (1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 (As Amended) TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Introduction

A. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Regulations') provided for governing the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading. SEBI vide its Notification No.EBI/LAD-NRO/GN/2018/59 dated 31st December 2018 has amended the SEBI (Prohibition of Insider Trading) Regulations, 2015, made effective from 1st April 2019.

B. Insider Trading involves trading in the securities of a company listed or proposed to be listed, by connected or any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an 'insider' is regarded unfair when it is predicated upon utilisation of 'inside' information to profit at the expense of other investors who do not have access to the same information.

C. Regulation 9 (1) contained under Chapter IV of the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates listed companies and Board of Directors or head(s) of the Organisation of every intermediary to formulate a **Code of Conduct (hereinafter referred to as "Code")** to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these regulations adopting the minimum standards as set out in Schedule B to the Regulations.

D. This Code is applicable with effect from 1st April 2019 to all the Promoters / Directors / Connected Persons / Designated Persons of the Company & their Immediate Relatives and extends to all activities within and outside an individual's duties at the Company. This Code supersedes the previous code dated 28th May 2015.

E. Any modifications and/or amendments brought about by SEBI subsequently shall automatically apply to this Code.

I. Important Definitions

1.1 "**Act**" means the Securities and Exchange Board of India Act, 1992.

1.2 "**Board**" means the Board of Directors of the Company.

1.3 "**Code**" or "**Code of Conduct**" shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Hatsun Agro Product Limited as amended from time to time.

1.4 "**Company**" means Hatsun Agro Product Ltd.

1.5 **"Compliance Officer"** means the Company Secretary or such other senior officer, designated so and reporting to the Board of directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

"Explanation - for the Purpose of this regulation "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows."

1.6 **"Connected person"** means,- –

(i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -

- an immediate relative of connected persons specified in clause (i); or
- a holding company or associate company or subsidiary company; or
- an intermediary as specified in section 12 of the Act or an employee or director thereof; or
- an investment company, trustee company, asset management company or an employee or director thereof; or

- an official of a stock exchange or of clearing house or corporation; or
- a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- a banker of the company; or
- a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten percent of the holding or interest;

1.7 "**Dealing in Securities**" means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent during free period.

1.8 **"Designated Person" includes**

a. Promoters of the Company;

b. Directors of the Company and its subsidiaries;

c. Key Managerial Persons (KMPs) of the Company;

d. Employees comprising the level of Assistant General Manager and above and all functional heads of the Company;

e. All functional heads in the Finance and Accounts, Secretarial and IT Department, MIS and Taxation Departments by virtue of their role deem to have access or hold any price sensitive information;

f. Any other person specified by the Managing Director or the Compliance Officer of the Company from time to time.

g. Immediate Relatives of (a) to (f) above

1.9 "**Director**" means a member of the Board of Directors of the Company.

1.10 "**Employee**" means every employee of the Company including the Directors in the employment of the Company.

1.11 "**Free Period** "means any Period other than the Prohibited Period

1.12 **"generally available information"** means information that is accessible to the public on a non-discriminatory basis;

1.13 **"Immediate relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

Note: if spouse is financially independent and doesn't consult an insider while taking trading decisions, the spouse won't be exempted from the definition of immediate relative. A spouse is presumed to be an "immediate relative", unless rebutted so.

1.14 **"Insider"** means any person who is:

a. A Connected Person; or
b. Designated Person/s and their immediate Relatives; or
c. In possession of or having access to Unpublished Price Sensitive Information;

1.15 **"Key Managerial Person"** means person as defined in Section 2(51) of the Companies Act, 2013

1.16 **"legitimate purpose"** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations. Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

1.17 **'Prohibited Period' means;**

(i) the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, upto 48 hours after the price sensitive information is submitted to the Stock Exchange.

(ii) such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman.

1.18 **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof:

1.19 **"Promoter group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;"

1.20 **"Proposed to be listed"** shall include securities of an unlisted company:

(i) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or

(ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013; "

1.21 **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

1.22 **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

1.23 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly

1.24 **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;

1.25 "**Unpublished Price Sensitive Information**" means: means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

a) financial results;
b) dividends;
c) change in capital structure;
d) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
e) changes in key managerial personnel;

1.26 "**Regulations**" shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

1.27 "**Specified Persons**" means the Directors, connected persons, the insiders, the Designated Employees, the promoters and their immediate relatives are collectively referred to as Specified Persons.

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

II. Code

1. Circumstances where you are considered to be an "Insider":-

A person(s) shall be considered to be an "Insider" by the Company on any proposed or ongoing sensitive transaction(s) who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants etc. for legitimate purpose which shall include the following;

(i) in the ordinary course of business.
(ii) in furtherance of performance of duty(ies);
(iii) for discharge of legal obligation(s).
(iv) for any other genuine or reasonable purpose as may be determined by the MD of the Company.
(v) For any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time

2. Due notice to an "Insider" and creating awareness :-

Once a person is considered to be an "Insider" under the circumstances mentioned above a due notice shall be given to such persons by the Company Secretary of the Company;

(i) To make aware such person that the information shared is or would be confidential.

(ii) To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

(iii) To make aware to such person the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.

(iv) To educate them that all information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes or for performance of duties or for discharge of legal obligations.

(v) To instruct them that they are prohibited at all times from directly or indirectly communicating UPSI to any person including a body corporate unless in furtherance of legitimate purposes or in performance of duties or for discharge of legal obligations.

(vi) To instruct them that trading at any time by an Insider on the basis of UPSI or while in possession of UPSI is prohibited.

3. Reporting

i) The Company Secretary is designated as the Compliance Officer and shall report on Insider Trading to the Board of Directors ("Board") and in particular, shall provide reports to the Chairman of the Audit Committee or to the Chairman of the Board, on a quarterly basis or at such frequency as may be stipulated by the Board.

ii) The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct.

4. Information on a need to know basis & Chinese Wall procedures

All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his/her legal obligations.

Need to Know:

(i) "need to know" basis means that Unpublished Price Sensitive Information should be disclosed only to 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.

(ii) All non-public information directly received by any employee should immediately be reported to the head of the department.

Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

Unpublished Price sensitive information shall be provided for legitimate purposes.

Legitimate purpose means sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

Notwithstanding anything contained in this Policy, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–

- entail an obligation to make an open offer under the takeover regulations where the board of directors of the listed company is of informed opinion that sharing of such information is in the best interests of the company;

- not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts].

***NOTE**: It is intended to permit communicating, providing, allowing access to or procuring UPSI also in transactions that do not entail an open offer obligation under the takeover regulations when authorised by the board of directors if sharing of such information is in the best interests of the company. The board of directors, however, would cause public disclosures of such unpublished price sensitive information well before the proposed transaction to rule out any information asymmetry in the market.*

However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties or notice shall be served to such parties and such parties shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

Chinese Walls procedures & processes will be as under -

i. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sales/marketing/investment advise or other departments providing support services, considered "public areas".

ii. The employees in the inside area shall not communicate any price sensitive information to any one in public area.

iii. The employees in inside area may be physically segregated from employees in public area.

iv. Demarcation of the various departments as inside area may be implemented by the Company.

v. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

vi. Restricting access to documents and files (including computer files) containing UPSI to individuals on a need-to-know basis (including maintaining control over the distribution of documents and drafts of documents);

vii. Promptly removing and cleaning up all confidential documents and other materials from conference rooms following the conclusion of any meetings;

viii. Properly disposing off all confidential documents and other papers no longer required.

ix. Inquiries from third parties, such as industry analysts or members of the media, about the Company should be directed to the Chief Executive Officer or Chief Financial Officer or Managing Director

5. Prevention of misuse of "Unpublished Price Sensitive Information"

Employees and connected persons designated on the basis of their functional role **("designated persons")** in the Company shall be governed by an internal code of conduct governing dealing in securities.

6. Designated Persons

The Chairman of the Board shall in consultation with the Compliance Officer specify the designated persons and immediate relative of designated persons to be covered by such Code on the basis of their role and function in the organisation. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

7. Trading window and Window Closure

a) The trading period, i.e. the trading period of the stock exchanges, called 'trading window", is available for trading in the Company's securities.

b) The trading window shall be, inter alia, closed 7 days prior to and during the time the unpublished price sensitive information is published.

c) When the trading window is closed, the Specified Persons shall not trade in the Company's securities in such period. The period during which the trading window is closed shall be a termed as prohibited period.

d) All Specified Persons shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred to in Point No. (b) Above or during any other period as may be specified by the Company from time to time.

e) In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading is closed.

f) The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.

g) The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.

h) The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultant, merchant banker, Banks etc., assisting or advising the Company.

8. Trading Plan

a) An insider shall be entitled to formulate a trading plan who has *perpetually in possession of unpublished price sensitive information* and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

b) The Trading Plan not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan.

c) Not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results.

d) Trading Plan shall be for a period minimum of not less than twelve months;

e) set out either the value of trades to be effected or the number of securities to be traded

along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and

f) not entail trading in securities for market abuse

g) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

h) The Compliance Officer shall consider the Trading Plan made as above and shall approve it forthwith. However, he shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

9. Pre-clearance & trades

a) All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades during free period is above Rs. 10 Lakhs should pre-clear the transaction at least one day prior to such execution. However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed and hence he shall not be allowed to trade. The pre-dealing procedure shall be hereunder:

b) An application may be made in the prescribed Form to the Compliance officer indicating the estimated number of securities that the Specified Employee intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.

c) An undertaking shall be executed in favour of the Company by such Specified Employee incorporating, *inter alia,* the following clauses, as may be applicable:

i. That the employee/director/officer does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.

ii. That in case the Specified Employee has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the company till the time such information becomes public.

iii. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.

iv. That he/she has made a full and true disclosure in the matter.

d) All Specified Persons and they shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. The Specified Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed.

e) If the order is not executed within seven days after the approval is given, the employee/director must pre-clear the transaction again.

f) All Specified Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

g) In case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

h) The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

10. Other Restrictions

a. All Directors, Officers, Designated Employees of the Company and their dependent family members shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.
b. The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
c. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.
d. The disclosures made under this Code shall be maintained for a period of five years.

11. Disclosure Responsibilities & formats

a. Initial Disclosures of holdings

Every promoter/member of the promoter Group/ Key Managerial Personnel / Director / Officers / Designated Employees of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of immediate relative(s) in the prescribed Form (Form A) (as prescribed or amended by SEBI, from time to time).

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within 7 (seven) days of such appointment or becoming a promoter in (Form B) (as prescribed or amended by SEBI, from time to time).

b. Continual Disclosures of trades

Every promoter, employee and director of the Company shall disclose to the Company (as per Form C) the number of such securities acquired or disposed of within two (2) trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten lakh) or such other value as may be specified;

The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.

c. Other formats / disclosures, to monitor compliance with these Regulations would be as under –

- Reporting of holdings in securities by Designated Persons (as per Form D)
- Application-cum-undertaking for pre-clearance (as per Form E)

d. The Compliance Officer shall ensure that the company complies with continuous disclosure requirements, overseeing and coordinating disclosure of price sensitive information to stock exchanges, analysts, shareholders and media, and educating staff on disclosure policies and procedure

e. All queries or request for verification of market rumours by stock exchanges or any authorised authority shall be addressed suitably by the Compliance Officer in consultation with the Managing Director / Executive Director and Chief Financial Officer. He shall consult the management and other officials of the Company before responding to the Stock Exchanges and any authorised authority.

f. **Disclosure by other Connected Persons:**

i. <u>One Time</u>

The Designated person shall disclose the following information (in a format as may be prescribed by the Compliance Officer), one time basis, to Company within 15 days from the date on which this code shall become effective;

(i) his/her Phone, mobile and cell numbers
(ii) his/her Permanent Account Number or any other identifier authorized by law

ii. <u>Annual Disclosure and Continual Disclosure</u>

The Designated person shall disclose the following information (in a format as may be prescribed by the Compliance Officer), on annual basis, to Company within 30 days from the end of the Financial Year and on continual disclosure basis, as and when the information changes within 2 days of such change;

(i) Name of Immediate Relatives
(ii) persons with whom such designated person(s) shares a Material Financial Relationship
(iii) Permanent Account Number or any other identifier authorized by law of (i) & (ii)
(iv) Phone, mobile and cell numbers of (i) & (ii)

Explanations: -"Material Financial Relationship" shall mean a relationship as relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions."

g. **Disclosure by the Company to the Stock Exchange(s) :-**

i. Within 2 days of the receipt of intimation under Clause 8.3/8.4, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.

ii. The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / designated person for a minimum period of five years.

12. Dissemination of Price Sensitive Information

a. No information shall be passed by Specified Persons by way of making a recommendation for the purchase or sale of securities of the Company.

b. Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors:

c. The following guidelines shall be followed while dealing with analysts and institutional investors

- Only public information to be provided.
- At least two Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

13. Penalty for contravention of Code of Conduct

a. Every Specified Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).

b. Any Specified Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.

c. Specified Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.

d. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

14. Internal Control System

The Managing Director of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these code and regulations to prevent insider trading.

15. Review of Compliances of Regulations And Verification Of Internal Control System

The Audit Committee of the Company shall review compliance with the provisions of these Code and Regulations at least once in a Financial Year and shall verify that the systems for internal control are adequate and are operating effectively.

16. Code of Fair Disclosure:

A code of practices and procedures for fair disclosure of un-published price sensitive information for adhering each of the principles are set out in Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information.

17. Applicability of the Code to certain persons

The Regulations apply to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In case it is observed by such persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these Regulations, they shall inform SEBI promptly, with a copy to the Company.

This Code is subject to review from time to time.

18. Effective Date: This Revised Code with effect from 1st April, 2019.

19. Date of Last modification :- May 28,2015

FORM A

Name of the Company: Hatsun Agro Product Limited

ISIN of the Company: L15499TN1986PLC012747

Details of Securities held by Promoter / KMP / Director and such other persons as mentioned in Regulation 6 (2) :-

Name, PAN No/ DIN & address with contact nos.	Category of Person – Promoter / KMP/ Director / Immediate relatives/ others etc.	Number of Securities held as on date of regulation coming into force (type & No)	% of shareholding	Any future / option contracts held (Nos & Notional value)

Date:

Signature:

Name:

Designation:

Form B

Name of the Company: Hatsun Agro Product Limited
ISIN of the Company: L1S499TN1986PLC012747

Details of Securities held on appointment of KMP / Director or upon becoming a Promoter of a listed Company and such other persons as mentioned in Regulation 6 (2) :-

Name, PAN No/ DIN & address with contact nos.	Category of Person – Promoter / KMP/ Director / Immediate relatives/ others etc.	Date of Appt (or) Date of becoming Promoter	Number of Securities held as on date of appt (type & No)	% of shareholding	Any future / option contracts held (Nos & Notional value)

Date:

Signature:

Name:

Designation:

FORM C

Name of the Company: Hatsun Agro Product Limited

ISIN of the Company: L15499TN1986PLC012747

Details of change in holding in Securities of Promoter, Employee or Director of a listed company and such other person as mentioned in Regulation 6 (2)

S.No.	Basis of Information	Particulars on Trade
1.	Name, PAN No. & Address of Director/ Employee/Promoter with contact numbers.	
2.	Category of Person (Promoter/Director/KMP/Immediate Relatives/ others etc.,	
3.	Securities held prior to acquisition/disposal (Type of Security and Number)	
4.	Securities acquired / disposed (Type of Security and Number)	
5.	% of Shareholding pre transaction	
6.	% of Shareholding post transaction	
7.	Date of allotment advice/acquisition of shares/sales of shares specify From Date : To Date :	
8.	Date of intimation to Company	
9.	Mode of acquisition(market purchase/public issue/rights/preferential offer/off market/ Inter-se transfer etc.	
10.	Trading in Derivatives (Specify type of contract, Futures or Options etc) – (Buy / Sell) with Value and Number of units.	
11.	Exchange on which the trade was executed.	

Date:

Place:

Signature:

Name:

Designation:

FORM D

Name of the Company: Hatsun Agro Product Limited

ISIN of the Company: L1S499TN1986PLC012747

Regulation 7 (3) – Transactions by Other connected persons as identified by the Company

S.No.	Basis of Information	Particulars on Trade
1.	Name, PAN No. & Address of Director/ Employee/Promoter with contact numbers.	
2.	Category of Person (Promoter/Director/KMP/Immediate Relatives/ others etc.,	
3.	Securities held prior to acquisition/disposal (Type of Security and Number)	
4.	Securities acquired / disposed (Type of Security and Number)	
5.	% of Shareholding pre transaction	
6.	% of Shareholding post transaction	
7.	Date of allotment advice/acquisition of shares/sales of shares specify From Date : To Date :	
8.	Date of intimation to Company	
9.	Mode of acquisition(market purchase/public issue/rights/preferential offer/off market/ Inter-se transfer etc.	
10.	Trading in Derivatives (Specify type of contract, Futures or Options etc) – (Buy / Sell) with Value and Number of units.	
11.	Exchange on which the trade was executed.	

Date:

Place:

Signature:

Name:

Designation:

Form E – PRE CLEARANCE OF TRADE

(To be submitted in duplicate)

Date:

The Compliance Officer
Hatsun Agro Product Limited

Name of the Applicant	
Designation	
Employee Pay Roll Number	
The Proposal is for	I. Acquisition in the open market II. subscription to the securities III. sale of securities
Proposed date of dealing in securities	
Nature of proposed dealing	Purchase / Sale of securities
Estimated number of securities proposed to be acquired / subscribed / sold	
Price at which the transaction is carried out	
Whether the proposed transaction will be through stock exchange or off market deal	
Name of the Depository DP ID Number And Client ID number	

UNDERTAKING TO FORM E

In relation to the above Dealing, I undertake that:

1. I have no access to nor do I have any information that could be construed as "Price Sensitive Information" as defined in the Code upto the time of signing this undertaking;

2. In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;

3. I have not contravened the provisions of the code of conduct for prevention of insider trading as notified by the Company from time to time;

4. I have made full and true disclosure in the matter.

5. I hereby declare that I shall execute my order in respect of securities of the Company **within one week after the approval of pre-clearance is given**. If the order is not executed within one week after the approval is given, I undertake to obtain pre-clearance for the transaction again.

6. I hereby confirm that I shall not engage into the reverse transaction ie. Buying/ selling of shares, within 6 months of buying/ selling respectively.

Place:

Date: **Signature**

(Statement of declaration to be given by the persons as defined under the Code of Conduct to abide by the Code of Conduct of Hatsun Agro Product Limited)

To
Compliance Officer
Hatsun Agro Product Limited
No.1/20A, Domaine, Rajiv Gandhi Salai (OMR),
Karapakkam, Chennai – 600097.

Dear Sir,

RE: STATEMENT OF CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS OF GOVERNING PRICE SENSITIVE, UN-PUBLISHED INFORMATION AND PROHIBITING INSIDER TRADING .

I have received, read, and understood the Code of Conduct to regulate, monitor and report Trading by Insiders and hereby undertake, as a condition to my present and continued affiliation /employment with Hatsun Agro Product Limited to comply fully with the policies and procedures contained therein and any modifications made to it by the Company from time to time and as furnished to me.

Signature

Name: [•]
Designation: [•]

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]
(Approved and adopted by the Board on 29th March 2019)

This policy forms part of the Hatsun Agro Product Limited Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

1. INTRODUCTION

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

2. OBJECTIVE

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

3. DEFINITION

a) "Legitimate Purposes" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

1. Promoters of the Company

2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)

3. Staff Members of the Audit firm/team conducting the Audit

4. Collaborators

5. Lenders

6. Customers

7. Suppliers

8. Bankers

9. Legal Advisors

10. Insolvency Professionals

11. Consultants

12. Any other advisors/consultants/partners with whom the UPSI is shared.

4. DIGITAL DATABASE

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

5. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

The board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

6. AMENDMENTS :-

The Managing Director of the Company, subject to approval of the Board, is authorised to amend or modify this Policy in whole or in part. The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information. This Policy shall be published on the official web site of the Company. This Policy and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.

POLICY FOR PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI") – a Whistle Blower

[Pursuant to Regulation 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

(Approved and adopted by the Board on 29th March 2019)

This policy forms part of the Hatsun Agro Product Limited Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

1. Introduction

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. In this regard, Board of Directors of Hatsun Agro Product Limited has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information ('the policy'), for adoption.

2. OBJECTIVES

(i) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, firm, Company or Body Corporate.

(ii) To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company and which affects the market price of the Company as well as loss of reputation and investors' / financers' confidence in the company.

(iii) To strengthen the internal control system to prevent leak of UPSI

(iv) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India ("SEBI") promptly.

(v) To penalize any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy.

3. Purpose

The Company aims to preserve the confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information. The Company shall take all steps to restrict and prohibit the practice of sharing of UPSI which originates within the company from any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-know person(s) with any un-authorized person which has implication on the market price of the Company as well as possibilities to malign the reputation and investors' / financers' confidence in the Company.

4. Definitions

(i) Compliance officer shall mean the Company Secretary of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) Leak of UPSI shall mean communication of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Board after following the due process prescribed in this behalf in the Code of Practices Fair Disclosure of the Company and /or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.

(iii) Support Staff shall include IT staff or secretarial staff who have access to unpublished price sensitive information.

(iv) Un-published Price Sensitive Information ("UPSI") shall mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:

a) Periodical financial results of the Company;
b) Intended declaration of dividends (Interim and Final);
c) Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company's shares;
d) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, disposals, spin off or selling division of whole or substantially whole of the undertaking and expansion of business and such other transactions;
e) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
f) Changes in key managerial personnel;
g) Material events in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
h) Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

5. Duties of Compliance Officer

The Compliance Officer shall be responsible to oversee the Compliance of this policy and to report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India and also intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges. The Compliance Officer shall also co-ordinate with and discloses the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee

6. Constitution of Insider Trading Investigation Committee.

The Board of Directors shall constitute an Insider Trading Investigation committee ("ITIC"). The ITIC shall consist of minimum 3 (three) Members which shall include Managing Director, Chief Financial Officer and Compliance Officer and any other officer of the Company as may be mutually decided by the members of the Committee.

7. **Duties of ITIC :**

The ITIC Committee shall be responsible-:

(a) To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any; and

(b) To authorize any person to collect necessary support material; and

(c) To decide disciplinary action thereon.

8. **Procedure for Enquiry in case of leak of UPSI:**

On becoming aware of actual or suspected leak of UPSI, by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-know person the ITIC shall suo moto or otherwise shall follow the below mentioned procedure in order to enquire and/or investigate the matter to ensure-:

(a) **Preliminary Enquiry:**

Preliminary enquiry is being conducted either by the Compliance Officer or Chief Financial Officer to finding the real facts of leakage of UPSI. This enquiry is aimed towards ascertaining the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The ITIC shall also appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

(b) **Report of Preliminary Enquiry to the Enquiry Committee:**

The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the ITIC within 7 days from the date of his appointment on this behalf.

(c) **Disciplinary Action:**

The Disciplinary action(s) shall include wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the ITIC.

9. **Amendments :-**

The Managing Director of the Company, subject to approval of the Board, is authorised to amend or modify this Policy in whole or in part. The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information. This Policy shall be published on the official web site of the Company. This Policy and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.

HATSUN AGRO PRODUCT LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Adopted by the Board of Directors at their Meeting held on 29th March 2019

OBJECTIVE:

Hatsun Agro Product Limited (Company) vide Board Resolution dated 28th May 2015 adopted this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") that the Board of Directors of the Company will adhere to while handling and disclosure of Unpublished Price Sensitive Information. This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This code has now been revised to be in line with the SEBI Notification No.EBI/LAD-NRO/GN/2018/59 dated 31st December 2018 amending the SEBI (Prohibition of Insider Trading) Regulations, 2015, made effective from 1st April 2019.

ADHERENCE TO THE CODE:

The Board of Directors of the Company (the Board) undertakes to adhere to the Code and shall always make a fair disclosure of corporate events, occurrences, transactions which could give rise to UPSI which in turn can impact price discovery in the market for the securities of the Company.

APPLICABILITY :-

This Code is applicable upon the Members of the Board of Directors of the Company with effect from 1st April 2019 and shall supersede the previous code dated 28th May 2015. Any modifications and/or amendments brought about by SEBI subsequently shall automatically apply to this Code.

CODE OF FAIR DISCLOSURE:-

The Code of Fair Disclosure adopted by HATSUN are as follows:

1. The Company shall ensure prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company shall ensure to make disclosures of unpublished price sensitive information, as and when made, in a universal and uniform manner through forums like widely circulated media and / or through stock exchanges where its equity shares are listed to avoid selective disclosure of unpublished price sensitive information.
3. The Company Secretary / Compliance Officer shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company will ensure that information shared with analysts and research personnel, if any, is not unpublished price sensitive information.
7. The Company shall publish proceedings of meetings held if any with analysts and of other investor relations conferences on its official website www.hatsun.com to ensure official confirmation and documentation of disclosures made therein.

8. The Company shall handle all unpublished price sensitive information on a need-to-know basis only.

AMENDMENTS :-

The Managing Director of the Company, subject to approval of the Board, is authorised to amend or modify this Code in whole or in part. The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information. This Code shall be published on the official web site of the Company. This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.