

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

(Under Clause 49 VI (ii) of the Listing Agreement)

Name of the Company: HATSUN AGRO PRODUCT LIMITED

Quarter ended: 31st December, 2010

Particulars		Clause of Listing agreement	Compliance Status Yes/No	Remarks
1		2	3	4
I	Board of Directors	49 I		
	(A) Composition of Board	49(IA)	Yes	
	(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	Disclosed in the Annual Report every year
	(C) Other provisions as to Board and Committees	49 (IC)	Yes	
	D) Code of Conduct	(49 (ID)	Yes	Affirmation of Compliance with the Code of Conduct and Declaration by CEO is being made in every Annual Report.
II	Audit Committee	49 (II)		
	(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
	(B) Meeting of Audit Committee		Yes	
	(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
	(D) Role of Audit Committee	49 II(D)	Yes	Among others, the existing Uncodified Whistle Blower Mechanism is reviewed by the Audit Committee.
	(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III	Subsidiary Companies	49 (III)	NA	The Company has no subsidiaries
IV	Disclosures	49 (IV)		
	(A) Basis of related party transactions	49 (IV A)	Yes	Disclosed in the Annual Report every year
	(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Changes are being disclosed as and when there is any change in Accounting Treatment
	(C) Board Disclosures – Risk Management	49 (IV C)	Yes	Procedures are in place. These are refined from time to time in line with the requirements of the code and are reviewed periodically.
	(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	Disclosures will be made as and when funds raised through public issues, rights issues, preferential issues etc.

	(E) Remuneration of Directors	49 (IV E)	Yes	Disclosed in the Annual Report every year
	(F) Management	49 (IV F)	Yes	Management Discussion and Analysis Report forms part of every Annual Report.
	(G) Shareholders	49 (IV G)	Yes	Disclosed in the Annual Report every year
V	CEO/CFO Certification		Yes	Disclosed in the Annual Report every year
VI	Report on Corporate Governance	49 (V)	Yes	
VII	Compliance	49 (VII)	Yes	Disclosed in the Annual Report every year