



GUJARAT BOROSIL LIMITED

1101, Crescenzo, G - Block, Opp. MCA Club, Bandra Kurla Complex, Bandra East),
Mumbai-400 051. INDIA ● Phone : +91 22 67406300 ● Fax : (91-22) 67406514
Email : gborosil@borosil.com ● Website : www.gujaratborosil.com
CIN : L26100GJ1988PLC011663

November 03, 2014

Mrs. Shalini Kamath

A- 1203&4, Chaitanya Towers,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025

Dear Mrs. Kamath,

Subject: Appointment as an Independent Director of the Company

We are hereby pleased to offer you position of an 'Independent Director', on the Board of Directors of our Company as approved by the Board at its meeting held on November 03, 2014 on the following Terms & Conditions:

1. Your term shall be for a period upto the date of next Annual General Meeting of the Company, pursuant to Section 161 of the Companies Act, 2013. Thereafter, proposal for your appointment as an Independent Director for a period of Five (5) consecutive terms will be placed before the board/shareholders for their approval, pursuant to Section 149 of the Companies Act, 2013.
2. **The expectation of the Board from you is to-**
 - Act objectively and constructively while exercising your duties;
 - Devote sufficient time and attention to your professional obligations for informed and balanced decision making;
 - Assist the Company in implementing the best Corporate Governance practices;
 - Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, key appointments and standards of conduct;
 - Bring an objective view in the evaluation of the performance of Board and Management;
 - Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
 - Undertake appropriate induction and regularly update and refresh yours skills, knowledge and familiarity with the Company;
 - Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion experts at the expense of the Company;
 - Strive to attend all meetings of the Board of Directors and of the Board Committees of which you are a member;
 - Strive to attend the general meetings of the Company;
 - where you have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the minutes of the Board Meeting;
 - keep yourself well informed about the Company and the external environment in which it operates;
 - Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
 - Participate constructively and actively in the committee of the Board in which you are chairperson or member

3. Fiduciary duties:

- Uphold ethical standards of integrity and probity;
- Exercise your responsibilities in a bona fide manner in the interest of the Company;
- Where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

4. The Company has taken a composite Directors & Officers Insurance policy.

5. Copy of Code of Business Ethics has been attached for your adherence.

6. While acting as an Independent Director of the Company you shall :

- Not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- Not abuse the position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associate person;
- Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- Not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- Refrain from any action that would lead to loss of your independence;

7. Fees:

You shall be entitled to payment of sitting fees of Rs.20,000/- for attending each Board Meeting, which is within the limit prescribed under the Rules made under the Companies Act, 2013 and which can be amended by the Board from time to time.

Reimbursement of Expenses:

You will be entitled for reimbursement of actual expenses in connection with attending Board meetings. In addition if you are travelling on Company's business, as permitted by the Board shall be entitled for travelling and lodging expenses on actual basis.

Yours Sincerely
For Gujarat Borosil Limited


B.L. Kheruka
Director

GUJARAT BOROSIL LIMITED (GBL)

PREAMBLE

This code of business ethics has been designed which the company expects to be followed by all directors & by employees in the course of employment with us.

This would help in establishing appropriate behavioral norms for the employees primarily focusing on discipline, self-control, professionalism and best ethical practices. It aims at creating and building employees core values, determining best-in-class practices and establishing centers of excellence in the Company.

APPLICABILITY

This code of business ethics shall be applicable to:

1. All directors of the Company
2. All employees, Officers and Trainees including Retainers.

Code of Business Ethics as applicable to Directors:

He/She shall:

1. Uphold ethical standards of integrity and probity;
2. Exercise their responsibilities in a bona fide manner in the interest of the Company;
3. Assist the Company in implementing the best Corporate Governance practices;
4. Ensure that all concerns about the running of the Company or a proposed action, are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the minutes of the Board Meeting;
5. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
6. Immediately inform the Board if circumstances arise which make him lose his independence;
7. Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
8. Not allow any extraneous considerations to vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
9. Not abuse the position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associate person;
10. Not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
11. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
12. Refrain from any action that would lead to loss of his independence; Shall not subscribe, buy, sell deal or agree to subscribe for any securities, if such Director is reasonably expected to have access to any non-public/unpublished price sensitive information in respect of securities of the Company.

CODE OF BUSINESS ETHICS:

The logo for Borosil, featuring the word "Borosil" in a blue sans-serif font inside a white circle that is partially overlapping a blue background.

For this purpose "price sensitive information" means any information which relates, directly or indirectly, to a company and which if published is likely to materially affect the price of securities of the Company.

1. Code of Business Ethics as applicable to all Employees:

Every employee shall abide by the ethics incorporated herein and shall observe, comply with and obey all lawful orders and directions that may be given from time to time in the course of employment by his / her superiors / departmental heads.

CONDUCT RULES

Every employee shall devote his / her time and efforts towards the furtherance of business of the Company with highest degree of morality and integrity and continuously strive for improvement in its productivity and profitability.

OBLIGATION TO MAINTAIN SECRECY

All employees are required to maintain strictest secrecy regarding the Company's affairs and shall not divulge (either during the course of employment or thereafter) or disclose to any person whatsoever or make any use whatsoever for their own purpose or for any purpose other than that of the Company of any information or knowledge obtained by them during their employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret process of the company. They shall also endeavor to prevent any other person from doing so.

No photography/videography within Company's manufacturing/distribution facilities is allowed without express written approval by the Management.

Not to divulge to third parties/consultants Company's business/employees strategy without express written approval of the Management.

EMPLOYEES TO PROMOTE COMPANY'S INTEREST

All employees shall serve the Company honestly, faithfully and diligently and shall endeavor to promote the interest of the Company and shall be courteous in dealings with subordinates as well as with customers/vendors.

PARTICIPATION IN POLITICS

No employees shall take part in any political demonstration. Neither shall they participate in any demonstration which would incite an offence as described in "The Indian Penal Code" or any other law for the time being in force.

EMPLOYEE NOT TO JOIN OR FORM AN ASSOCIATION

No employee shall join or form an association, the objectives or activities of which are prejudicial to the interest of the Company. In the event any such employee is found to join such association or attempts to form such association would be liable for termination of his / her employment without any notice.

DEALINGS WITH THE PRESS

No employees shall communicate to the Press anything relating to the affairs of the Company or publish any paper in any journal/magazine without the prior approval/sanction of the management. They shall not participate in or get associated with any Radio / Television broadcast or in publication or in

CODE OF BUSINESS ETHICS:

The logo for Borosil, featuring the word "Borosil" in a blue sans-serif font inside a white circle that is partially overlapping a blue background.

communication to the Press or publish speeches / utterances without prior approval of the management.

DEVELOPMENT OF PATENTS

No employee shall acquire any patent rights of any products / goods / processes which he / she develops during the course of his / her employment with the company. Any such patent or process improvement becomes the property of the company and the concerned employee cannot claim any rights, whatsoever. All know-how which the employee acquires as a result of research and development activity shall pass on to the company and will be the property of the company.

EMPLOYEES NOT TO SEEK OUTSIDE EMPLOYMENT

All employees are whole time employees of the company. No employee, except with the written permission of the management, can engage directly or indirectly in any trade or business or undertake any other employment or consultancy or undertake such trade / business on behalf of anyone else either with or without remuneration, during the course of his / her employment with the company. However, they may, without prior approval, undertake honorary work of social charitable or religious nature or occasional work of literary artistic nature provided that such work does not interfere with the performance of their duties.

EQUAL OPPORTUNITIES TO EMPLOYEES

GBL shall provide equal opportunities to all its employees and all qualified applicants for employment without regards to their race, caste, religion colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

Human resources policies shall promote diversity and equality in the work place, as well as compliance with all local labour laws, while encouraging the adoption of international best practices.

Employees of GBL shall be treated with dignity and in accordance with the GBL policy of maintaining a work environment free of all forms of harassment, whether physical, verbal or psychological.

Employee policies and practices shall be administered in a manner consistent with applicable laws and other provisions of this Code, respect for the right to privacy and the right to be heard, and that in all matters equal opportunity is provided to those eligible and decisions are based on merits.

EMPLOYEES NOT TO TAKE ANY GIFTS EXCEPT OF NOMINAL VALUE

Employees of GBL shall neither receive nor offer or directly/indirectly make or receive gifts either in cash or kind from/to any supplier / dealer / customer or any other person/entity connected with the business of the Company, in India or abroad. This will, however, exclude new year / festival gift of nominal value not exceeding Rs. 1000/- and gifts of food/edible items which are customary in nature or associated with festivals and will include provision of free transport, boarding lodging or any other service or facility to the employee or his / her family /relative / friends, whether specifically requested for or otherwise in India or abroad. Interpretation of what constitutes nominal value in this regard shall be revised at the discretion of the management and the same shall be final and binding on the employee.

DEALINGS WITH COMPANIES SUPPLIERS / DEALERS /CUSTOMERS

No employee shall either directly or through any other person or relation, be associated with either any supplier of goods / materials/ services to the company. Similarly no employee shall have either directly or

CODE OF BUSINESS ETHICS:

The logo for Borosil, featuring the word "Borosil" in a white sans-serif font inside a blue circle.

indirectly any business arrangement-outside the limits of the company's dealings or use his / her position for any personal benefits to any friend / relation with / for any of the company's customers / agents / suppliers. No employee shall have either directly or indirectly any business relationships with company's present suppliers of goods / material/ services (including consultants) and customers and undertake to dissociate themselves for such suppliers / customers as and when directed to do so by the management.

INSIDER TRADING

No Employee of the Company shall subscribe, buy, sell, deal or agree to subscribe any securities, if such Employee is reasonably expected to have access to any non-public price sensitive information in respect of securities of the Company. For this purpose "price sensitive information" means any information which relates, directly or indirectly, to a company and which if published is likely to materially affect the price of securities of the Company.

CONSUMPTION OF ALCOHOLIC DRINKS / DRUGS

It is GBL Company's desire to provide a drug-free, healthy, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on GBL Company premises and while conducting business-related activities off GBL Company premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of drugs as prescribed by a qualified medical practitioner is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Employees with questions or concerns about substance dependency or abuse are encouraged to discuss these matters with their supervisor or the Human Resources Department to receive assistance or referrals to appropriate resources in the community. Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or the Human Resources Department without fear of reprisal.

COMPANY ASSETS

The assets of GBL Company shall not be misused; they shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources, as well as intangible assets such as information technology and systems, proprietary information, intellectual property, and relationships with customers and suppliers.

MISBEHAVIOUR - SEXUAL HARASSMENT

No Employee shall engage in any activity which tantamounts to sexual harassment as per prevailing laws. In case an employee is found to misbehave with any other employee within/outside the office premises or involves in an act of sexual harassment of any nature whatsoever, violations of this may lead to disciplinary actions, including immediate termination of employment.

The company will conduct workshops to educate the employee about current provisions of laws & relevant rules from time to time. The employees are expected to follow the instructions given in the workshops.

In case internal complaint committee constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 arrives at a conclusion that any female employee has made malicious or false allegation or has produced any forged or misleading document, it may recommend to the Company to take such action and in such manner, as may be prescribed under the said Act and Rules made thereunder.

TAMPERING WITH OFFICIAL RECORDS

No employee will tamper with any official record or unauthorisedly destroy any official record or commit nuisance in the premises of the company.

HOLDING OF UNAUTHORISED MEETINGS

No employee shall hold any meeting unconnected with the official business in the premises of the company without prior permission of the management.

CONVICTION / ARREST

An employee arrested or convicted by a court of law, shall at once report in writing the fact of his / her conviction or arrest to the management.

CANVASSING OF NON-OFFICIAL OR OTHER INFLUENCES

No employee shall bring or attempt to bring any political or other outside influence to further his / her interests in respect of matters pertaining to his / her service in the Company.

DISHONESTY OR AN ACT DETERMENTAL TO THE INTEREST OF THE COMPANY

No employee shall perform any act or omission, which is considered by the Company as dishonest or detrimental to the interest of the Company or violate the rules, regulations, orders or directives of the Company in force from time to time.

DISCIPLINARY ACTION FOR MISCONDUCT:

The Misconduct can be classified into minor and major misconducts, as enumerated in the annexure attached herewith. If an employee is found guilty of any of the misconducts, he/she may be punished in the manners mentioned therein, depending on the gravity of misconduct/offence.

This code of Business Ethics shall be also treated as service rules to be applicable to all employees

ANNEXURE TO THE CODE OF BUSINESS ETHICS

Any act or omission on the part of an employee which is a breach of any duty, obligation or assignment arising under or flowing from any law or contract of employment or service rules or standing orders, settlements or awards or improper conduct or wrongful behavior is a misconduct.

TYPE OF MISCONDUCTS

A. Minor Misconducts

The following acts or omission on the part of an employee shall amount to minor misconduct:

- Late coming or irregular attendance.
- Absence from duty without leaves for a period of less than four days.
- Loitering, gossiping in department during working hours.
- Negligence of duties or neglect of work.
- Smoking or spitting on the premises of the establishment, where it is prohibited.
- Distributing or exhibiting within the premises of establishment and bills, pamphlets and posters.
- Obtaining leave on false pretences.
- Refusal to work on overtime without reasonable and justified explanation. Failure to attend work on Holidays or Sundays when notified to do so subject to the provisions of Factory Act or any other Act.
- Giving false, misleading information on an application form/format for securing employment.
- Spreading false rumors or giving false information which may intend to disrupt the working and reputation of the Establishment, or its employee/officials.
- Refusal to work in another department of the same type.
- Clocking another employee's Time Card, defacing or altering his own or another employee's time card or time sheet, tampering with punching clock and other record(s) related with attendance.
- Taking out of the works any articles or material belonging to the company without a gate pass issued by the company.
- Making or giving a false complaint/report or statement or representation before a superior about any co-worker or co-employee.

CODE OF BUSINESS ETHICS:

- Making false, derogatory, defamatory, vicious or malicious statement whether public or otherwise against the establishment, its Management or other employees of the company by way of shouting, pamphlets and communication to the authorities or in any other manner
- Proceeding on leave and remaining absent from work/duty even after the refusal of leave by the Manager or any competent authority.
- Expecting or receiving tips etc. from the guests/visitors in case of prohibition to do so by the Management for a nominal value not exceeding Rs. 1000/-
- Eve-teasing in the premises of the Establishment.
- Any other act or omission of minor nature.

B. Major Misconducts

The following acts or omission on the part of an employee shall amount to major misconduct:

- Willful insubordination or disobedience of any lawful and reasonable order of a superior.
- Going on illegal/unjustified strike or abetting, inciting, instigating.
- Willful slowing down in performance in work or instigation thereof.
- Theft, fraud or dishonesty in connection with the employer's business or property.
- Taking bribes or any illegal gratification.
- Habitual absenteeism without leave for more than 6 consecutive days or over staying the leave sanctioned
- Leave without sufficient grounds.
- Habitual breach of standing order or any law applicable to establishment.
- Collection without the permission of the manager of any money within the premises of establishment.
- Engaging in personal trade within the premises of establishment.
- Drunkenness, Riotous, Disorderly or indecent behavior on the premises of the establishment.
- Commission of any acts subversive of discipline or rude behavior on the premises of the establishment.
- Habitual neglect of work or habitual negligence.
- Willful damage to work in process or any property of the establishment.
- Holding meetings inside the premises of establishment without the permission of the management.
Disclosing to any unauthorized person any confidential information in regard to the processes of the establishment.
- Gambling within the premises of establishment. Failure to observe safety instructions notified by or interference with the safety devices.
- Distributing or exhibiting within the premises of establishment, bills, pamphlets and posters.
- Refusal to accept a charge sheet order or other communication served in accordance with the standing orders.
- Unauthorized possession of lethal weapon in the establishment.
- Being convicted of any criminal offence or any offence involving moral turpitude.
- Threatening and/or intimidating any employee and visitor within the factory premises and precinct thereof including hostel / Guest House or outside
- Fighting with a fellow co-worker/employee
- Any act of molestation or abatement to molestation or any other remark against a female employee or any other worker within the factory premises or outside including the hostel or company quarter or Guest House or any other act of sexual harassment as mentioned under Sexual Harassment Act.

CODE OF BUSINESS ETHICS:

- Misuse of official position for personal gains.
- Giving interview to press, radio, television without the permission of the Management.
- Misappropriation of Management money and/or misuse of Establishment's funds/property.
- Any breach of terms and conditions of the employment.
- Using the name of Establishment or property for his own purposes and business except when permitted to do so by the Management in writing.
- Leveling of allegations against superiors/or against co-workers.
- Having immoral relationship with employee of either sex within the premises of the Establishment.
- Any other act of major misconduct or acts detrimental to the company's image.

PENALTIES FOR MINOR MISCONDUCT

The following penalties may be imposed for good and sufficient reasons if an employee is found guilty of minor misconduct:

Warning, fine, passing adverse entry in service records, recovery of loss of goods for which the concerned workman is accountable, recovery from wages of the whole or part of any loss caused by the workman through negligence, suspension for a period not exceeding four days without pay, withholding of increment.

PENALTIES FOR MAJOR MISCONDUCTS

The following penalties may be imposed for good and sufficient reasons if an employee found guilty of major misconduct:

Warning or censure, withholding of increment, fine, stopping promotion, demotion, suspension for a period not exceeding fifteen days without pay, discharge, dismissal/termination of service, with or without pay as applicable, vacation of company quarter, Stoppage or withholding of one or more annual increments up to three years, or any other punishment which the manager may deem fit.

In awarding any punishment under the Company's Code of Business Ethics, the employer shall take into account the previous record, if any, of the employee and any other extenuating circumstances that may exist.