

## **BOROSIL GLASS WORKS LIMITED**

### **Code of Conduct for Board of Directors and Senior Management** (as amended at the meeting of the Board of Directors held on August 13, 2014)

Borosil Glass Works Limited's (Borosil) philosophy on Corporate Governance envisages achieving highest standards of accountability transparency and equity in all its spheres and in all its dealings with its stakeholders. Borosil is committed to establishing and diligently following the highest standards of Corporate Governance in its pursuit of profitable growth and enhancement of shareholder value.

#### **Introduction**

This Code of Conduct (Code) has been framed under the Clause 49(II) (E) of the Listing Agreement with the Stock Exchange as amended by the Securities Exchange Board of India.

The Code has come into effect from the date of its adoption by the Board of Directors at their duly convened and constituted meeting.

#### **Preamble**

The Code sets forth standards of conduct that Borosil Glass Works Limited (the Company) requires from all of its Directors and Senior Management Personnel (Senior Management comprise of all members of the Management one level below the executive directors including all Functional Heads).

In adopting this Code, the Company seeks to:

Establish the procedures for dealing with any potential conflict of interest which may arise between the responsibilities of a Director and/or Senior Management Personnel and any other outside interest which he/she or a connected party may have.

The prompt internal reporting to an appropriate person or persons identified below of violations of this Code;

Accountability for adherence to this Code of Conduct

#### **No Conflicts of Interest**

Each Director and Senior Management personnel is expected to avoid any outside activity, financial interest or relationship that may present a possible conflict of interest or the appearance of a conflict.

A "conflict of interest" arises when a Director or Senior Management Personnel's private interest interferes in any way, or even appears to interfere, with the interest of the Company.

A Director or Senior Management Personnel takes any action or has interest that makes it difficult to perform his/her duties for the Company objectively and effectively.

A Director or Senior Management personnel receives a personal benefit as a result of his/her position against the interest of the Company.

#### *Disclosure of Conflicts of Interest*

All Directors/ Senior Management Personnel shall disclose the potential conflict of personal interest that they may have relating to all material financial and commercial transactions to the Board of Directors.

#### **Compliance with Laws, Rules and Regulations**

All Directors and Senior Management Personnel are expected to comply with all laws, rules and regulations, including insider trading laws, in each jurisdiction in which it does business.

#### **Duties of Independent Directors**

Duties of Independent Directors as laid down in Schedule IV of the Companies Act, 2013

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the Company;
- (6) where they 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 their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the Company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;

- (10) ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (13) 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.

However, Liability of the Independent Directors shall arise only in respect to such acts of omission or commission by a Company which had occurred with their knowledge, attributable through Board processes and with their consent or connivance or where they have not acted diligently with respect of the provisions contained in the Listing Agreement.

### **Confidentiality of Information**

The Director/ Senior Management Personnel of the Company shall observe strict secrecy and confidentiality with regard to all transactions/dealings & affairs of the Company and shall not disclose to any person save as may be authorised by the Board of Directors or use otherwise than solely for the benefit of the Company in the course of his/her duties or as may be required by law or for smooth conduct of the Company's business.

### **Reporting of Illegal act or misconduct**

The Company actively promotes honesty and transparency in all its business activities and discourages any type of misconduct in the Company.

All Directors and Senior Management Personnel are required to report violations of laws, rules and regulations by any employee of the Company to the Board of Directors or the Whole-time Director as may be relevant. Every effort will be made to protect the confidentiality of those furnishing information.

### **Gifts & Donations**

The Board Members and the Senior Management Personnel must not directly/indirectly obtain any illegal payments, gifts, donations or any benefits where the value of it could make it appear that the person giving is attempting to influence the Directors/ Senior Management Personnel to gain advantage except gifts of food/edible items which are customary in nature or associated with festivals or value of which is less than Rs.1,000/-.

### **Accountability for Adherence to this Code; Violations of this Code**

Each Director or Senior Management Personnel has a personal responsibility to ensure that he or she abides by this Code. Management has the additional responsibility of fostering a

culture in which compliance with the Company's policies and all applicable laws is at the core of all the Company's business activities.

Concerns about appropriate conduct must be promptly addressed with care and respect.

The Directors and Senior Management Personnel shall affirm compliance with this Code on an annual basis each year.

The values and responsibilities set forth in this Code are important to the Company and must be taken seriously by all concerned. Accordingly, violations of these values and responsibilities will lead to disciplinary action by the Board of Directors.

Such disciplinary action may include reprimand, reimbursement of any loss or damage suffered by the Company, termination of employment or any other disciplinary action deemed appropriate by the Company.

### **Waivers of this Code**

Any waiver of this Code for any Director or Senior Management Personnel (including Senior Financial Officer) may be made only by the Board of Directors, only if truly necessary and warranted and must be promptly disclosed as required by applicable laws or Stock Exchange regulations.