

CODE OF ETHICS AND BUSINESS CONDUCT

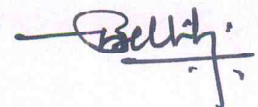
(POLICY NO. 1)

1.01 INTRODUCTION

- 1.01.01 This Code of Ethics and Business Conduct helps maintain the standards of business for Balmer Lawrie - Van Leer Limited. The purpose of this Code is to deter wrongdoing and promote ethical conduct. The matters covered in this Code are of utmost importance to the Company, its shareholders/stakeholders.
- 1.01.02 This Code is applicable to all Officers of the Company [which term used hereinafter in this Code would include all officers on its rolls in various functions such as finance, tax, accounting, purchase, treasury, production, maintenance, marketing, EDP, Personnel, etc, all members of the senior management team, members of the audit committee, and members of the Board of the Company].
- 1.01.03 Ethical business conduct is critical to the Company's business. Accordingly, Officers of the Company are expected to read and understand this Code, uphold these standards in day-to-day activities, and strictly comply with and enforce the same as also ensure that other officers in the Company do the same in letter and spirit in addition to complying with all applicable laws, rules and regulations.
- 1.01.04 Nothing in this Code shall constitute and shall not be construed to constitute a contract of employment for a definite term or a guarantee of confirmed employment.

1.02 ETHICAL CONDUCT

- 1.02.01 The Company expects all Officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct in all facets of their day-to-day life in general and while working on the Company's premises, at offsite locations where the Company's business is being conducted, at Company's sponsored business and social events, or at any other place where Officers are representing the Company in particular or with regard to all dealings, actions in respect of or pertaining to the business and for operations of the Company.
- 1.02.02 The Company considers honest conduct that is free from fraud misrepresentation, concealment or deception. The Company considers ethical conduct to be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. 'Conflicts of Interest' is discussed in more detail in below.
- 1.02.03 The General Standards of Conduct expected by the Company from its Officers is also listed below.



1.03 CONFLICT OF INTEREST

1.03.01 An Officer's duty to the Company demands that he or she avoids actual. Potential and apparent conflicts of interest and also discloses the same to the competent authority. The competent authority is defined as Managing Director of the Company in the case of all officers and a Committee consisting of Chairman/Vice Chairman of the Board of the Company and the Company Secretary in the case of Managing Director. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

1.03.02 Employment/Outside Employment

In consideration of employment with the Company, Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any business activity or business relationship with any of the vendor and/or customer of the Company directly or indirectly, expressly or impliedly, actually or remotely interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company. The Company's policies prohibit Officers from accepting simultaneous employment or engagement in any capacity whatsoever with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position. Additionally, Officers must disclose to the Company's audit committee, any interest that they have that may conflict directly or indirectly, expressly or impliedly, actually or remotely with the business of the Company.'

1.03.03 Outside Directorships.

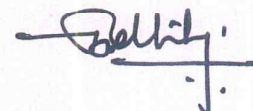
It is a conflict of interest to serve as a director of any company that competes with the Company. Officers must first obtain approval from Chairman of the Company's Board of Directors before accepting any such directorship.

1.03.04 Other Situations

Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any question or doubt in the Officer's mind, the Officer should consult with the competent authority.

1.03.05 Business Interests

1.03.05.1 If an Officer is considering investing in any customer, supplier, developer or competitor of the Company, he or she must first take care to ensure that these investments do not compromise on their responsibilities to the Company. Many factors should be considered in determining whether a conflict exists, including without limitation the size and nature of the investment; the Officer's ability to influence the Company's decisions; his or her access to confidential information of the Company or of the other company; and the nature of the Company or of the other company; and the nature of the relationship between the Company and the other company.



1.03.05.2 If an Officer is already engaged either directly or indirectly in any business transaction with the Company or intend to engage in business transactions with the Company in future, he or she shall inform the nature of the business transaction in writing to the Managing Director and obtain his consent in writing for continuation of/engaging in business transactions with the Company. CEO/MD will necessarily have to report such cases to the Board at the next board meeting of the company.

1.03.06 Related Parties

1.03.06.1 As a general rule, Officers should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role or interest. Relatives include spouse, siblings and children and their respective spouses, parents, grandparents, grandchildren and their spouses, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws.

1.03.06.2 The Company discourages the employment of relatives of Officers in positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g. an auditing or control relationship, or a supervisor/ subordinate relationship).

1.04 **GENERAL STANDARDS OF CONDUCT**

1.04.01 Dress Code and other personal standards

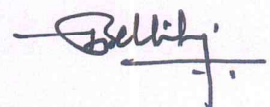
1.04.01.1 Because each of the Officers of the Company is a representative of the Company in the eyes of the public, they must report to work properly groomed and wearing appropriate clothing. Officers are expected to dress neatly and in a manner consistent with and suitable to the nature of work performed.

1.04.01.2 When visiting or working on customers'/suppliers' sites, Officers will adhere to the dress standards maintained at that particular customer /supplier site.

1.04.02 Safety in Workplace

The safety of people in the Workplace is a primary concern of the Company. Each of the Officers of the Company must comply with all applicable health and safety policies and standards and maintain compliance with all local laws to help maintain secure and healthy work surroundings.

1.04.03 Drugs and Alcohol Abuse: To meet the Company's responsibilities to employees, customers and investors, the Company must maintain a healthy and productive work environment. Misusing controlled substances, or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs and alcohol on the job is strictly prohibited and persons found to indulge in these activities would be subject to disciplinary action up to and including termination from services of the Company besides being liable or held under the provisions of the applicable laws, rules and regulations.



1.04.04 Disclosure of Company Confidential Information

1.04.04.1 To further the Company's business, from time to time, the Company's confidential information may be disclosed (orally or in Writing) to potential business partners. However, such disclosure (orally or in writing) should never be done without carefully considering and evaluating its potential benefits, risks, implications and consequences. If any officer of the Company determines in consultation with his/her manager and other appropriate Company management that disclosure of confidential information is necessary, he/she must then contact the Managing Director to ensure that an appropriate written non-disclosure agreement in the form satisfactory to the Company is signed prior to the disclosure.

1.04.04.2 The Officers must not sign a third party's non-disclosure agreement or accept changes to the Company's standard non-disclosure agreements without review and written approval by the Managing Director.

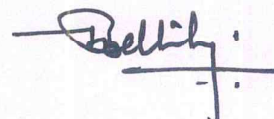
1.04.04.3 All Company materials that contain Company confidential information, including presentations, must be reviewed and approved by respective managers and other appropriate Company management prior to publication or use.

1.04.04.4 Any publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of an Officer's employment with the Company, must be reviewed and approved in writing in advance by his/her manager and other appropriate Company management and must include the Company's standard disclaimer that the publication or statement represents the views of the Specific author and not of the Company.

1.04.05 Protecting the Company's Confidential Information : The Company's confidential information is a valuable asset. The Company's confidential information includes names and list of customers, dealers, and employees; financial information, product drawings, product specifications, process controls, details of equipment, manufacturing processes, and any other information which is proprietary to the Company. This information is the property of the Company and may be protected by patent, trademark, copyright and trade secret laws. All confidential information must be used for Company business purposes only & every Officer must safeguard it. The Officer's responsibility includes not disclosing the Company confidential information such as information regarding the Company's services or business & other interests. This responsibility also includes the safeguarding, securing and proper disposal of confidential information.

1.04.06 Requests by Regulatory Authorities

The Company Officers must co-operate with appropriate government inquiries and investigations. In this context, however, it is important to protect the legal rights of the Company with respect to its confidential information. All government requests for information, documents or investigative interviews must be referred to the Managing Director. No financial information may be disclosed without the prior written approval of the Managing Director.



1.04.07 Company Spokespeople

All inquiries or calls from the press and financial analysts should be referred to the Managing Director. All press releases, interviews, media replies should be routed through Managing Director and under no circumstances shall Officers directly communicate with the press on behalf of the Company.

1.04.08 Use of Company's Assets

Protecting the Company's assets is a key responsibility of every Officer. Care should be taken to ensure that assets are not misappropriated, misused, loaned to others, or sold or donated, without appropriate authorization. All Company Officers are responsible for the proper use of the Company's fix and movable assets like Car, Laptop, Cell Phone etc. given pursuant to Company policy and must safeguard such assets against loss, damage, misuse or theft. Officers who violate this aspect of this policy or who demonstrate poor judgment in the manner in which they use any Company asset would be subject to disciplinary action, up to and including termination of employment at the Company's sole discretion.

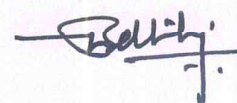
1.04.09 Company Funds

Every Officer is personally responsible for all Company funds over which he or she exercises control. The Company agents and contractors should not be allowed to exercise control over the Company funds. The Company funds must be used only for the Company business purposes. Every Company officer must take reasonable steps to ensure that the Company receives good value for the Company funds spent, and must maintain accurate and timely records of each and every item of expenditure.

1.04.10 Electronic Usage : The purpose of this policy is to make certain that Officers utilize electronic communication devices in a legal, ethical, and appropriate manner. This policy addresses the Company's responsibilities and concerns regarding the fair and proper use of all electronic communications devices within the organization, including computers, e-mail, connections to the internet, intranet and extranet and any other public or private networks, voice mail, video conferencing, facsimiles, and telephones. Posting or discussing information concerning the Company's services or business on the Internet without the prior written consent of the Managing Director is prohibited. Any other form of electronic communication [current or futuristic] used by any Officer is also intended to be encompassed under this policy. Officers are encouraged to use sound judgment whenever using any feature of Company's communications systems.

1.04.11 Maintaining and Managing Records

The purpose of this policy is to set forth and convey the Company's business and legal requirements in managing records, including all recorded information regardless of medium or characteristics. Records include paper documents, CDs, computer hard disks, email, floppy disks, or all other media and storage devices. The Company is required by local, state, federal, foreign and other applicable laws, rules and regulations to retain certain records and to follow Specific guidelines in managing its records. Civil and criminal penalties for failure to comply with such guidelines can be severe for Officers and the Company and failure to comply with such guidelines may subject the officers to disciplinary action, up to and including termination of employment or business relationship.



1.05 RESPONSIBILITIES TO- CUSTOMERS/SUPPLIERS/GOVERNMENT AGENCIES

1.05.01 Customer Relationships

If an Officer's job puts him/her in contact with any Company customers or potential customers, it is critical for him/her to remember that he/she represents the Company to the people with whom he/she is dealing. The Officers are expected to act in a manner that creates value for Company's customers and helps to build a relationship based upon trust. The Company and its employees have provided services for many years and have built up significant goodwill over that time. This goodwill is one of Company's most important assets, and the Officers of the Company must act to preserve and enhance the goodwill of the Company.

1.05.02 Selecting Suppliers

The Company's suppliers make significant contributions to Company's success. To create an environment where the suppliers have an incentive to work with the Company, they must be confident that they will be treated lawfully, business like and in an ethical manner. The Company's policy is to purchase supplies based on need, quality, service, price and other terms and conditions. The Company's policy is to select reliable and resourceful suppliers and/or enter into agreement through a competitive bid process, where ever possible. The confidential information from a supplier is entitled to the same protection as that of any other third party.

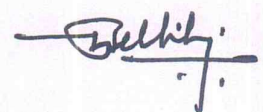
No Officer/Executive of the company should engage in any business relationship with company either directly or indirectly or through his/her family members (including in-laws). If found at any time, immediate disciplinary action would be initiated by the Company against relevant employee.

1.05.03 Government Relations

It is the Company's policy to comply fully with all applicable laws and regulations governing contact and dealings with government employees and public officials, and to adhere to the high ethical, moral and legal standards of business conduct.

1.05.04 Payments or Gifts from Others

Under no circumstances may Officers accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud or otherwise. Inexpensive gift, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Gifts given by the Company to suppliers or customers, or received from suppliers or customers, should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety.



1.06 COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS

In performance of the duties, Officers must comply with all applicable governmental laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice. Violations of applicable governmental laws, rules and regulations may subject Officers to individual criminal or civil liability, as well as to disciplinary action by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of business.

1.07 VIOLATIONS OF THE CODE

- 1.07.01 Part of an Officer's job, and of his or her ethical responsibility, is to help enforce this Code. Officers should be alert to possible violations and report this to the Managing Director. Officers must co-operate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has in good faith, reported a violation or a suspected violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited. In the event of any complaint under whistle Blower Policy, the inquiry, investigation and disciplinary action would be taken as stated in the Policy. Whistle Blower Policy thus forms part of this Code.
- 1.07.02 Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to the Managing Director.
- 1.07.03 The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. Where the Company has suffered a loss (whether financial or otherwise), it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will co-operate fully with the appropriate authorities.

1.08 AMENDMENTS OF THIS CODE

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Code is subject to modification, amendment or substitution. Any amendment of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

