

DEEPAK NITRITE LIMITED

Code of Conduct for Board of Directors

Deepak Nitrite Limited's (the "Company") commitment to ethical and lawful business conduct is the fundamental shared value of our Board of Directors, management and employees and critical to the Company's success. In furtherance of this commitment, the Board of Directors of the Company (the "Board") promotes ethical behavior, and has a Code of Conduct for Directors (the "Code").

The principal duty of the Board, along with management, is to ensure that the Company is well managed in the interests of its stakeholders. The Board plays a very important role in the Company's governance. This Code has been adopted by the Board to provide guidance on matters of professional and personal behavior and applies to the Directors, alternates and any accompanying person participating in Board Meetings. Each board member is expected to comply with this code.

The following principles govern the conduct of the Directors:

1. Honesty and Integrity.
2. Directors shall act honestly and with integrity in all of their dealings for the Company.
3. Directors will not make promises or commitments that the Company does not intend, or would be unable to honour.
4. Directors shall adhere to the truth, and not mislead directly or indirectly nor make false statements, nor mislead by omission.

In performing their Board and Board Committee functions, the Directors will:

- i) act diligently, honestly and in good faith;
- ii) represent the interests of the stakeholders of the Company;
- iii) exhibit high standards of integrity, commitment and independence of thought and judgment;
- iv) dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties;
- v) provide leadership in advancing the Company's Mission, Aspiration, values and leadership attributes;

- vi) discharge their duties, as members of the Board and any Board Committees on which they serve, in accordance with their good faith business judgment and in the best interests of the Company and its stakeholders;
- vii) become and remain familiar with the Company's business and economic environment in which the Company operates and understand the Company's principal business plans, strategies, and objectives, operations results and financial conditions, and relative marketplace position;
- viii) commit the time necessary to prepare for, attend in person or telephonically, as appropriate and actively participate in regular and special meetings of the Board and of the Board committees on which they serve; and
- ix) comply with every provision of this Code.

2. Conflicts of interests:

Directors must avoid any conflicts of interests with the Company. Directors will not enter into, without the prior approval of the disinterested members of the Board, any transaction or relationship with the Company in which they have a financial or personal interest (either directly or indirectly, such as through any relative (as defined under Section 2(41), Section 6 read with Schedule IA of the Companies Act, 1956 or any statutory modification or re-enactment thereof), or an organisation with which the Director is affiliated, or any transaction or situation which otherwise involves a conflict of interest. However in case of dealing with the Company, the Director will always be at arm's length to avoid the possibility of actual or perceived conflicts of interest.

3. Corporate Opportunities :

Directors should not make use of Company's property, information, or position for themselves. No Director may compete with the Company or use of Company property, information, or position, for improper personal gain.

4. Confidentiality :

Pursuant to their fiduciary position, Directors should maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company, its business, customers or suppliers, that comes to them, from whatever source, except when disclosure is authorised or legally mandated. For the purpose of this code, "confidential information" includes all non-published information relating to the Company, its business, joint venture partners, intellectual property, outside agencies or employees. Directors will not use confidential information obtained by them as a Director of the Company for personal financial gain, nor will that information be used to obtain financial benefit for any other person or business.

5. Protection and Proper use of Company Assets :

Directors should not misuse the assets of the Company but it should be employed for the purpose of conducting the business of the Company. These include tangible assets such as equipment & machinery, systems, facilities, resources as well as intangible assets such as intellectual property rights, proprietary information & so on.

6. Insider Trading :

Directors should observe Company policies applicable to them as reflected in Company's Code of Conduct for Prevention of Insider Trading as well as the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or any statutory modification thereof with respect to the purchase & sale of and dealing in the Company's securities.

7. Compliance with laws and Company Policies :

Directors should comply, and endeavor to ensure that management is causing the Company to comply, with applicable laws, rules and regulations. In addition, if any Director becomes aware of any information that he or she believes constitutes evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company any employee or another Director, then such Director should bring such information to the attention of the Chairman of the Board.

8. Accountability :

The Code referred to herein is applicable to all Directors, who are accountable for compliance of this code.

Directors should communicate any suspected violations of this Code promptly to the Chairman of the Board. Suspected violations will be investigated as per the direction of the Board and appropriate action will be taken to that effect.

9. Amendments of the Code :

The Board shall review and reassess the adequacy of this Code as may be necessary, and make any amendments that it deems appropriate. All Board members shall affirm compliance with the code on an annual basis. Any amendment or waiver of any provision of this Code must be approved in writing 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.

10. Compliance with the Code :

All the Directors are required to certify annually to the Board about the compliance with this Code.

11. Duties

As an Independent director of the Company, you shall :

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) 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;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;
- d) participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
- e) strive to attend the general meetings of the Company;
- f) ensure that your 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 their concerns are recorded in the minutes of the Board meeting;
- g) keep yourself well informed about the Company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) 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;
- j) 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;
- k) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;

- l) acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m) 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.
