Anti- Bribery and Anti- Corruption (ABAC) Policy

1. Introduction:

Deepak Nitrite Limited (DNL) is committed to conduct business transparently, honestly with integrity and to the highest ethical standards. This commitment is embodied in the Company's Code of Conduct, Gifts and Entertainment Policy, Whistle Blower Policy and this Policy.

Bribery and corruption entail ethical, legal, safety and quality, financial and reputational risks.

DNL thus, reiterates through this Anti-Bribery and Anti-Corruption (ABAC) policy, it's 'zero tolerance' towards bribery and corruption and the responsibilities of its directors, employees (both permanent and contractual) and agents to conduct business in accordance to the applicable anti-bribery and anti-corruption laws.

2. Purpose:

The purpose of this policy is:

To spell out the responsibilities of those working for or with the Company in observing and upholding the DNL's position on bribery and corruption.

To ensure that the DNL has adequate procedures in place to prevent and detect bribery and corruption.

To build an anti-bribery and anti-corruption culture in DNL

To provide information and guidance to those working for or with the DNL as to how to recognize and deal with potential bribery and corruption issues.

To protect the Company against the possible penalties and repercussions resulting from acts of bribery and corruption or being associated with such behavior.

3. Scope:

This policy is applicable to all directors and employees of Deepak Nitrite Limited (DNL).

This policy also reflects DNL's expectations of the standard, of its business partners, agents, and contractors, technical and other consultants (third party-service providers).

This policy should be read in conjunction with Deepak Group's Code of Conduct, Gifts and Entertainment Policy and Whistle Blow Policy.

4. Applicable Laws:

Following Indian laws are applicable:

(a) Indian Penal Code 1860 (IPC)
(b) Indian Prevention of Corruption Act 1988 and amendments

(c) Indian Prevention of Money Laundering Act 2002 and amendments
(d) Central Vigilance Act 2003
(e) Lok Ayukta Acts of various states

5. Definitions :

a. Bribery

(a) Bribery is the most common form of corruption and can be broadly defined as the offering, promising, giving, accepting or soliciting of an inducement or reward, loan, advantage or benefit of any kind to a person in a position of trust or power (including a "public official") to influence that person's views or conduct or to obtain an improper advantage.
(b) Amendment to Prevention of Corruption Act 1988 passed in 2018, has now made giving of bribe also as a punishable offence.
(c) Bribery can not only be giving cash to someone but also it can take many other forms as under:
- Non-cash gifts
- Lavish entertainment or hospitality
- Employment or 'consulting' relationships of a Third Party to a relative
- Loans
- Kickbacks
- Political contributions
- Charitable contributions
- Social benefits
- Gifts, travel, hospitality, and reimbursement of expenses; or
- Other rewards or benefits.

(d) It is important to know that it is irrelevant whether the bribe was accepted or not, merely offering the bribe is usually sufficient for an offence to be committed.
(e) Bribery can be direct (e.g. you give a bribe to someone) or indirect (e.g. you get someone else to give a bribe to another person). Indirect bribery may be deemed to occur even if you have entered into a contract or understanding with a Third Party that does not explicitly or implicitly contemplate the commission of bribery.

b. Corruption.

a) Corruption means wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards

b) Corruption is usually designed to obtain financial benefits or other personal gain.

c. Third Party. It means any individual or organization you come into contact with during the course of your work for/with Deepak Group. It includes actual and potential, customers, suppliers, distributors, business contacts, joint venture partners, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

d. Public official. It includes a person who holds a legislative, administrative or judicial position of any state. And/or a person who performs public duties or functions for any state, including a person employed by a board, commission, corporation or other body or authority that is established to

perform a duty or function on behalf of the Indian Government or a foreign state or is performing such a duty or function.

e. **Facilitation payment**. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official (such as the issuance of permits, licenses, processing sanctions or work permits.

f. **Kickback.** These are payments made in return for a business favor or advantage and can include discounts or other types of cash incentives.

6. What is acceptable and what is not acceptable?

DNL will not accept, you or a third Party acting on your behalf or with whom you have a contract or works on behalf of DNL to:

(a) Give, promise to give, or offer, a payment, loan, reward, gift or hospitality, to a public official with the expectation or hope that an improper business advantage will be received, or to reward an improper business advantage already given

(b) Give, promise to give, or offer, a payment, loan, reward, gift or hospitality to a public official to 'facilitate' or expedite a routine procedure performed by a government body or NGO (non-governmental organization)

(c) Make or authorize cash or cash equivalent (e.g. cheque) reimbursements or payments of any kind to individual public officials without prior written authorization from the Company Secretary.

(d) Threaten or retaliate against any person who has refused to commit a bribery offence or who has raised concerns under this policy

(e) Write a cheque to 'cash' or 'bearer'.

Receive or be promised or offered a payment, loan, reward, gift or lavish hospitality from a Third Party seeking to obtain business improper business advantage or to reward an improper business advantage previously given.

(f) Engage in any activity that might lead to a breach of this policy

7. Gifts and Entertainment. As a general principle, DNL does not give or receive gifts and entertainment. However, gifts and entertainment are not prohibited as long as they are appropriate, legitimate, reasonable and modest and are given or received with a purpose to build goodwill and strengthen working relationships. Such gifts and entertainment:

(a) Must be duly approved

(b) Must not be intended to improperly influence

(c) Must not appear to improperly influence

(d) Are company branded items

(e) Does not involve cash or cash equivalent, gold or precious stones

(f) Has not been paid from personnel account of an employee

(Also read Gifts and Entertainment Policy)

8. Facilitation payments and Kickbacks. DNL prohibits giving and accepting facilitation payments and kickbacks. Any request for facilitation payment should be refused. Payment may be made if there is risk of injury or threat to your life on refusal to pay by you. A receipt for the payment should be taken and the Company Secretary should be informed at the earliest.

9. Donations. Making any kind of donations from funds of DNL is prohibited. However, Company may make donations if they are ethical and comply with the local laws.

10. Third Party. Unethical business practices followed by some third parties can put DNL at risk. Thus, it is the responsibility of every employee to ensure that due diligence has been conducted on every third party we associate with.

11. Maintaining Records.

(a) DNL will keep financial records and have appropriate internal controls in place which will record the business reason for any payments made to Third Parties.

(b) All employees must ensure that all expense claims relating to hospitality, gifts, or expenses incurred are submitted in accordance with the Company's expense policy and specifically recording the reason for the expenditure.

12. Training and Dissemination.

This policy should be shared with all existing employees. This policy should also be disseminated.

(a) during the induction training.
(b) DNL's zero tolerance towards bribery and corruption should also be communicated to all third parties including suppliers, vendors, contractors, agents and business partners.

13. Raising concerns and complaints. Any employee becoming aware of an event or suspicion of violation of this policy is duty bound to report the same through the whistle blow mechanism. Following are some examples of 'Red Flags' which indicate risk to DNL and should be reported immediately through the whistle blow mechanism:

(a) Third party requests for additional fee or commission to facilitate a service
(b) Third party requests for payment to be made at an address other than his own address
(c) Third party requests for payment in cash or refuses to give invoice/ receipt for the payment made to him
(d) Third party has the reputation of paying bribes or having close relationship with government officials
(e) There are legal cases relating to bribery and corruption against the third party
(f) Third party is known to have engaged in improper payments and improper business practices.
(g) Third party insists on payment of fees or commission before the service has been provided
(h) Third party demands lavish gifts or entertainment
(i) Third party demonstrates willingness to violate laws and policies.
(j) Third party asks for employment for a relative or friend.
(k) You are offered lavish gifts or entertainment by the third party
(l) Third party asks for commission which is very high as per industry standards
(m) Third party is recommended by a public official, his/her family member, or his/her close associate
(n) A public official requests, urges, insists, or demands that a particular party, company, or individual (agents, vendors, service providers, etc.) be selected or engaged, particularly if the official has

discretionary authority over the business at issue

(o) Third party is a company with an owner, major shareholder or executive manager who is a public official

(p) Third party has financial or business ties, relationship, or association with public officials.

14. Non-Retaliation. Any employee who refuses to offer or accept any bribe and raises a concern regarding violation of this policy will be protected against retaliation. DNL will provide complete confidentiality and protection to the employee who raises concerns in good faith.

15. Non-Compliance to this Policy. Any unintentional or intentional non-compliance of this policy could result in serious repercussions for the individual employee or DNL as a whole.

Thus, all employees are advised to read, understand and follow the guidelines in this policy. Appropriate disciplinary and legal action will be taken in event of any non-compliance of this policy.

Policy governance:

a) These guidelines shall supersede the old guidelines and come into effect from 15th July 2025.

b) Internal employees for entry and exit purposes in Office shall use Security Gate where the bio-metric machine is installed.

c) New joinees during their period of induction for settling assistance shall be exempted from the provisions of Late-coming & Early-going as mentioned in the policy.

d) The management reserves the right to exclude any employee from the scope of applicability of above policy guidelines for Corporate Office.

e) The policy deployment shall be reviewed once in a year from effective date

Note: - Any clarification/ justification regarding the interpretation of this policy shall be done with Corporate HR only.

Any deviation from this policy shall not be entertained by the Organization.

President – Human Resource
June 15, 2025