

INTRODUCTION

Insider Trading is dealing (buying and/ or selling) in the securities of the Company by any connected or deemed to be connected persons while in possession of any material unpublished price sensitive information, in breach of a fiduciary duty or other relationship of a trust and confidence, to gain personal benefit out of such dealing.

The Securities and Exchange Board of India (SEBI), under the powers conferred to it under the SEBI Act, 1992, had formulated the SEBI (Insider Trading) Regulations, 1992, to protect the interest of the investors in general, which were later on amended on the recommendations of a Committee headed by Shri Kumar Mangalam Birla. The new regulations, known as the “*Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992*” (hereinafter referred to as “the SEBI Regulations”), were notified in the Gazette and made effective from February 20, 2002. The amended regulations regulate as well as prohibit the menace of insider trading. The SEBI Regulations also requires every listed company to frame and implement an Internal Code for prevention of insider trading, more or less on the lines of Model Code provided therein.

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A. OBJECTIVE

- i) To define a set of rules to be followed by the Company and its Directors on Board, Officers and the designated Employees and to set forth policies, procedures and monitoring adherence to the rules for prevention of Insider Trading in the Securities of the Company.
- ii) Pre-clearance of trades in Securities and monitoring of trades under the overall supervision of the Compliance Officer, Company Secretary and Finance Head.

To achieve these objectives, **Den Networks Limited** (hereinafter referred to as “**the Company**”) hereby notifies this “**Code for Prevention Of Insider Trading**” (“**the Code**”).

B. Definitions

- (i) “**Board**” means the Board of Directors of the Company.
- (ii) “**Code**” means the Code of Conduct for prevention of Insider Trading, as notified hereunder, including any amendments/ modifications made from time to time.
- (iii) “**Company**” means DEN Networks Limited.
- (iv) “**Dealing in Securities**” means an act of subscribing, buying, selling or agreeing to subscribe, sell or deal in the Securities of the Company including positions taken in derivatives either as principle or agent.
- (v) “**Relative**” means the spouse of the Designated Employee or any parent, brother, sister or child of the Designated Employee or of the spouse.
- (vi) “**Securities**” shall include shares of the Company and related stock market derivatives.

(vii) **“Working day”** means the working day when the regular trading is permitted on the concerned Stock Exchange where the securities of the company are listed.

C. WHO ARE COVERED:-

The following persons shall be included:

- (i) **Employees** comprising of the senior management i.e., President, Chief Financial Officer (“CFO”), Chief Executive Officer (“CEO”), Vice President, Manager, Sr. Manager and above from accounts/finance and Company Secretary who are believed to be privy to any unpublished price sensitive information.
- (ii) **Additional Employees** designated by the Company from time to time to whom these trading restrictions shall be applicable, keeping in mind the objectives of this code of conduct.
- (iii) **Directors** of the Company including Managing Director and Whole Time Director.

(Persons referred to in (i), (ii) and (iii) are referred to as “Designated Employees” and shall include their relatives as defined in Annexure 1.)
- (iv) **Business Associate** means Statutory Auditors/ Internal Auditors or person dealing with the Company having access to unpublished price sensitive information.
- (v) **An Insider**, being any person who is or was connected with the Company, or is deemed to have been connected with the Company, and who is reasonably expected to have access to Unpublished Price Sensitive Information in respect of Securities of the Company, or who has received or has had access to such Unpublished Price Sensitive Information.

D. COMPLIANCE OFFICER:

The Company has appointed Mr. Jatin Mahajan as the Compliance Officer. He shall function in association with and under the advice from the CFO.

The Compliance Officer shall maintain a record of the Designated Employees and any changes made in the list of Designated Employees. The Compliance Officer along with the Company Secretary and Finance Head shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of transactions in Securities, monitoring of trades and the implementation of the Code of Conduct.

E. PRICE SENSITIVE INFORMATION:

Price Sensitive Information is any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of Securities of the Company and includes any unpublished information relating to:

- (i) periodical financial results of the Company;
- (ii) intended declaration of dividends (both interim and final);

- (iii) issue of Shares or buy-back of Shares;
- (iv) any major expansion plans or execution of new projects;
- (v) amalgamation, mergers or takeovers;
- (vi) disposal of the whole or substantial part of the undertaking;
- (vii) Any significant changes in policies, plans or operations of the Company.

F. REPORTING REQUIREMENTS FOR TRANSACTIONS:

The following disclosure of the shareholding in the Company is required.

(i) INITIAL DISCLOSURE:

All Directors, Officers and the Designated Employees of the Company are required to disclose Shares held in the Company (including Shares held by relatives) as on the date of notification of this Code Of Conduct for Prevention of Insider Trading or at time of joining of Company to the Compliance Officer within one week of notification of this Code of Conduct for Prevention of Insider Trading or joining the Company, whichever is later.

The list of relatives holding Shares are also required to be filled up. The same should be updated as and when there are any changes and sent to the Compliance Officer.

The above disclosure needs to be given in Form 1 annexed to this Code.

(ii) QUARTERLY DISCLOSURE:

All Directors, Officers and the Designated Employees of the Company are required to disclose Shares held in the Company (including Shares held by relatives) as at the last date of each Quarter.

This disclosure shall be made within 7 days from the end of respective quarter in **Form 2** annexed to this Code

G. DEALING IN SECURITIES - NORMS TO BUY / SELL SECURITIES:

All persons who are covered either directly or through their relatives shall conduct all their dealings in Securities of the Company only in a valid trading window and not buy / sell Securities of the Company during the closure of the Trading Windows i.e. period during which trading of the Securities of the Company is prohibited.

In case of ESOPs exercise of options may be allowed when the trading window is closed but the sale of securities allotted on exercise of ESOP shall also not be allowed when trading window is closed

i) ***The trading windows shall be closed during the following periods:***

- From the date of circulation of Notice for the meeting of the Board of Directors in which Quarterly/ Half Yearly/ Annual Financial Results are to be considered upto 24 hours after the close of the Board Meeting.
- From the date of circulation of Notice for the meeting of the Board of Directors in which any material price sensitive and unpublished event including the following are proposed upto 24 hours after the close of the Board Meeting.
 - a) Issue of Securities by way of public / rights / bonus;
 - b) Significant expansion plans or execution of new large projects;
 - c) Disposal of whole or substantially the whole of the undertaking;
 - d) Amalgamation, Mergers or takeovers;
 - e) Declaration of Dividend (interim and final);
 - f) Any Other Corporate Action, as specified by the Company to be price sensitive.

The Company may from time to time notify changes in the above mentioned periods or any other period of closing of the trading windows.

ii) **Trading after Prior Approval - (Pre Clearance of Trade):**

Directors, Officers and the Designated Employees who propose to acquire/sell Shares of the Company which are **more than Rs. 5.00 lakh in value or 1000 in number, whichever is lower**, shall make an application to the Compliance Officer stating number of Shares that he/she intends to deal in along with full details of Depository participant and Client ID.

This application shall be made in Form 3 annexed with this Code.

An **undertaking** shall also be furnished in Form 3 stating that he/she does not have access to any Price Sensitive Information and has complied with this Code of Conduct for Prevention of Insider Trading as specified by the Company from time to time.

If the Directors, Officers and the Designated Employee obtain any Price Sensitive Information after executing the undertaking but prior to transacting in Securities of the Company, he/she shall inform the Compliance Officer and refrain from dealing in Securities of the Company

iii) **Time Frame:**

Directors, Officers and the Designated Employees shall execute their order **within one week of pre clearance of trade**. If the transaction is not executed within one week of such clearance, fresh approval of the Compliance Officer is required.

H. PRESERVATION OF PRICE SENSITIVE INFORMATION:

- (i) Need to know basis - Price Sensitive Information is to be handled on a "need to know" basis i.e. should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- (ii) Limited access to confidential information - All manual files containing confidential information shall be kept secure. All Computer files must have adequate security i.e. Login password etc.
- (iii) Employees/Directors to maintain confidentiality of all Price Sensitive Information and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities.
- (iv) All unpublished Price Sensitive Information directly received by any employee should immediately be reported to the head of the department.

I) DISCLOSURE OF INTEREST OR HOLDING BY DIRECTORS AND OFFICERS AND SUBSTANTIAL SHAREHOLDERS:

(a) Initial Disclosure

- (i) Any person who holds more than 5% shares or voting rights in the Company shall disclose to the Company/Compliance Officer, **in Form A**, the number of shares or voting rights held by such person, on becoming such holder, within 4 working days of:
 - the receipt of intimation of allotment of shares; or
 - the acquisition of shares or voting rights, as the case may be.
- (ii) Any person who is a Director or Officer of the Company shall disclose to the Company/Compliance Officer, **In Form B**, the number of shares or voting rights held by such person, within 4 working days of becoming a director or officer of the Company.

(b) Continual Disclosures

- (i) Any person who holds more than 5% shares or voting rights in the Company shall disclose to the Company/Compliance Officer, **in Form C**, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (i) of Regulation (a) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the Company.
- (ii) Any person who is a director or officer of the Company shall disclose to the Company/Compliance Officer, **in Form D**, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under sub-regulation (ii) of Regulation (a) or under this sub-regulation, and the change exceeds Rupees 5

lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

The disclosure mentioned in H (b) (i) and H (b) (ii) above, shall be made **within four working day** of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

The Company shall **within two days of receipt** of the above said information disclose the said information to all Stock Exchanges on which the Company is listed.

J. PENALTIES:

- (i) Any communication of Price Sensitive Information or trading in Securities of the Company in contravention of this Code of Conduct for Prevention of Insider Trading will attract the following penal action:

(A) Contravention by Designated Employee:

- a) First Contravention:** A fine of Rs. 10,000/-
- b) Second Contravention:** A fine of Rs. 50,000/-
- c) Third Contravention:** A fine of Rs. 1,00,000/-

Any contravention after the third shall be reported to the Board or any committee thereof for appropriate action, which may entail a monetary as well as other penalty.

(B) Contravention by Business Associates etc.:

- a) First Contravention:** A deduction in the fees to be decided by the Compliance Officer, Company Secretary and Finance Head.
- b) Second Contravention:** The Business Associated will be black listed and debarred from any future assignment and also deduction in the fees as decided jointly by the Compliance Officer, Company Secretary and Finance Head.

Any action, if any, taken by SEBI against the defaulting employee/ business associate, would be independent of and over & above the penalty imposed by the Company.

Annexure - I

Meaning of 'relative' – A person shall be deemed to be a relative of another if –

- a. They are members of a Hindu undivided family; or
- b. They are husband and wife; or
- c. The one is related to the other in the manner indicated below

List of Relatives:

1. Father
2. Mother (including step-mother)
3. Son (including step-son)
4. Son's wife
5. Daughter (including step-daughter)
6. Father's father
7. Father's mother
8. Mother's mother
9. Mother's father
10. Son's son
11. Son's son's wife
12. Son's daughter
13. Son's daughter's husband
14. Daughter's husband
15. Daughter's son
16. Daughter's son's wife
17. Daughter's daughter
18. Daughter's daughter's husband
19. Brother (including step-brother)
20. Brother's wife
21. Sister (including step-sister)
22. Sister's husband



Prevention of Insider Trading Initial disclosure

Initial Disclosure

FORM 1

The Compliance Officer

DEN Networks Limited
236, Okhla Industrial Estate,
Phase-III, New Delhi-110020

SUB: DECLARATION OF SHAREHOLDING IN THE COMPANY AND UNDERTAKING

Dear Sir,

I, -----, an Employee/ Director of------(Name of the Company), holds following Shares in the Company/ Group Company, listed below, including my relatives*, as on _____.

Name of the Company of which shares are held	Name & Address of the person holding Shares in the Company	Relationship	Number of Shares of the Company held	Particulars of DP ID	Particulars of Client ID
Self					
TOTAL					

* - Particulars of all relatives holding Shares to be provided.

I confirm that:

- i) I and my relatives (We) will not trade in the Shares of the Company whenever we have access to any price sensitive information. Further we shall promptly inform you upon obtaining price sensitive information.
- ii) We shall comply with the code of conduct for insider trading as specified by the Company from time to time.
- iii) We shall not trade in Shares of the Company during closure of Trading Window as specified by the Company from time to time and when we have access to price sensitive information.



iv) In case the value of proposed transaction in the Shares of the Company exceeds Rs. 5.00 Lacs in value or 1,000 Shares of the Company, whichever is lower, I shall obtain prior approval of the Compliance Officer as detailed in Form 3.

v) I shall not disclose any price sensitive information to any of my relatives or any outsider or any Employee of the Company.

I further confirm that the aforesaid facts are true and correct and shall abide with the Code of Conduct for Prevention of Insider Trading of the Company.

Place: Signature:

Name:

Designation &:

Department



Prevention of Insider Trading Quarterly Disclosure

Quarterly Disclosure

FORM 2

The Compliance Officer

DEN NETWORKS LIMITED

236, Okhla Industrial Estate, Phase-III, New Delhi-110020

SUB: DECLARATION OF YEARLY SHAREHOLDING

Dear Sir,

I, _____, an Employee/ Director of _____ (Name of the Company), holds the following Shares in the Company including my relatives* as on _____.

Name of the Company	Name of the person holding Shares in the Company	Relationship	Number of Shares of the Company held	Particulars of DP ID	Particulars of Client ID
Self					
TOTAL					

* - Particulars of all relatives holding Shares to be provided.

I confirm that the aforesaid facts are true and correct.

Place: Signature:

Date: Name:

Designation &:

Department



Prevention of Insider Trading Pre clearance of trades

Pre Clearance of Trade

FORM 3

The Compliance Officer

DEN NETWORKS LIMITED

236, Okhla Industrial Estate, Phase-III, New Delhi-110020

SUB: APPLICATION FOR TRADING IN SHARES OF THE COMPANY AND UNDERTAKING

Dear Sir,

I, -----, an Employee/ Director of -----
(Name of the Company), propose to trade in the Shares of the
----- (Name of the Company) as per details hereunder:

Name of person proposing to trade in :

Shares of the Company and relationship with employee/Director :

No. of Shares of the Company held by the person

as on date of the application :

Particulars of proposed transaction in Shares of the Company:

Number of Shares held in the Company (A)	Number of Shares of the Company proposed to be Sold (B)	Number of Shares of the Company proposed to be acquired (C)	Balance holding (A) + (C) / (A) - (B)
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Name of Depository :

DP ID No. :

Client ID No. :

Number of Shares of the Company held by the

Person after this application (if approval granted) :

I confirm that:

- i) I and my relatives (We) do not have access to any price sensitive information and have complied with the code of conduct for prevention of insider trading as specified by the Company from time to time.
- ii) We shall execute the trade of Shares within 7 days of your approval failing which we shall apply again to you for your approval.
- iii) We shall hold Shares of the Company for a minimum period of 30 days from the date of acquisition.



We further confirm that the aforesaid facts are true and correct and shall be fully responsible for any wrongful acts done by me or my relatives including such penalties as may be imposed by the Company.

You are requested to provide the pre-clearance of trade for the above transaction.

Thanking you,

Yours sincerely,

Place: Signature:

Date: Name:

Designation &:
Department



Prevention of Insider Trading Pre clearance of trades

FORM 4

The Compliance Officer

ibn18 Broadcast Limited
Express Trade Tower, Plot No. 15 & 16, Sector - 16A, Noida, U. P. - 201 301

Sub.: Waiver of minimum holding period for Securities

Dear Sir,

I have purchased/ Acquired _____ shares on _____ and due to the below mentioned reason, I wish to sell the _____ shares before the end of 6 months/ 30 days from the date of purchase/ allotment. Please grant me waiver from holding of securities for minimum period of 6 months/ 30 days.

Reason for waiver:

Thanking you,

Signature

Name:-

Company:

Designation & Department:

Date:

Form 'A'- Initial Disclosure (Refer Clause 2 (a)(i) of the Code)

DETAILS OF ACQUISITION OF 5% OR MORE SHARES

Form A

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
[Regulation 13(1) and (6)]**

Regulation 13(1)- Details of acquisition of 5% or more shares in a listed Company

Name, PAN No & Address of Shareholders with telephone number	
Shareholding prior to acquisition	
No & % of shares / voting rights acquired	
Receipt of allotment advice/ acquisition of shares - (specify)	
Date of Acquisition	
Date of intimation to Company	
Mode of acquisition on (market purchase/ public/rights /preferential offer etc.)	
No.& % of Shares /voting rights post -acquisition	
Trading member through whom the trade was executed with SEBI Registration no. of the TM	
Exchange on which the trade was executed	
Buy Quantity	
Buy Value (Rs.)	
Sell Quantity	
Sell Value (Rs.)	

Form 'B' – Initial Disclosure (Refer Clause 2(a)(ii) of the Code)

DETAILS OF SHARES HELD OR POSITIONS TAKEN IN DERIVATIVES BY DIRECTOR OR OFFICER AND HIS DEPENDANTS*

Name, PAN No. and Address of Director / Officer	
Date of assuming office of Director /Officer	
No. & % of shares/voting rights held at the time of becoming Director /Officer	
Date of intimation to Company	
Mode of Acquisition (Market purchase /public/rights /preferential offer etc.)	
Trading member through whom trade was executed with SEBI Regn No. of the TM	
Exchange on which the trade was executed	
Buy Quantity	
Buy Value (Rs.)	
Sell Quantity	
Sell Value (Rs.)	

Form 'C' – Continual Disclosure (Refer Clause 2(b)(i) of the Code)

DETAILS OF SHARES HELD OR POSITIONS TAKEN IN DERIVATIVES BY DIRECTOR OR OFFICER AND HIS DEPENDANTS

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(3) and (6)]

Regulation 13(6)- Details of change in shareholding in respect of persons holding more than 5% shares in listed Company

Name, Pan No, Address & Telephone No. of Shareholders	
Shareholding prior to acquisition / sale	
No.& % of Shares / Voting rights acquired / Sold	
Receipt of allotment advice/acquisition of shares / sale of shares specify	
Date of acquisition/ sale	
Date of intimation to Company	
Mode of acquisition/ Sale on (market purchase/sale/ public/rights/preferential offer etc.)	
No.& % of shares / voting rights post acquisition/ sale	
Trading member through whom the trade was executed with SEBI Registration no. of the TM	
Exchange on which the trade was executed	
Buy Quantity	
Buy Value (Rs.)	
Sell Quantity	
Sell Value (Rs.)	

Form 'D' – Continual Disclosure (Refer Clause 2(b)(ii) of the Code)

DETAILS OF CHANGE IN SHAREHOLDING BY DIRECTOR OR OFFICER AND HIS DEPENDANTS.

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(4) and 13(6)]

Regulation 13(6)- Details of change in shareholding of Director or officer of a Listed Company

Name PAN No. & Address of Director / Officer	
No. & % of Shares / Voting rights held by the Director / Officer	
Date of receipt of allotment advice / acquisition/sale of shares / voting rights	
Date of intimation to Company	
Mode of acquisition/ Sale (market purchase/sale /public/rights/preferential offer etc.)	
No. & % of shares /post acquisition/ voting rights after sale	
Trading member through whom trade was executed with SEBI Registration No. of TM	
Stock Exchange on which the trade was executed	
Buy quantity	
Buy Value (Rs.)	
Sell Quantity	
Sell Value (Rs.)	