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## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

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### **INTRODUCTION**

Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that every listed company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company. This Code of conduct for Directors and Senior Management (“Code”) helps maintain the standards of business conduct for DEN NETWORKS LIMITED (“Company”).

This Code shall come into force with immediate effect. Each and every Director/Senior Management Personnel (as defined herein below) shall be duty-bound to follow the provisions of this Code in true letter and spirit. Any instance of non-compliance of any of the provisions shall be a breach of ethical conduct and shall be viewed seriously by the Company.

Accordingly, the Director/ Senior Management Personnel (as defined herein below) are expected to read and understand this Code and uphold these standards in their business dealings and activities.

### **I. APPLICABILITY**

This Code of Conduct applies on the following:

1. All Directors of the Company
2. "Senior management" of the Company, i.e., officers/personnel of the listed entity who are members of its core management team excluding board of directors and shall comprise all members of management one level below the executive directors, including all functional heads.
3. This code shall be read along with Den’s Code of Conduct which has been introduced with effect from 01.01.2014 and applicable to all employees, officers and directors of the Company.

### **II. HONEST AND ETHICAL CONDUCT**

All Officers are expected to act in accordance with the highest standards of personal and professional integrity and maintain honest and ethical conduct while working on the Company’s premises or at offsite locations where the Company’s business is being conducted or any other place where the Officers are representing the Company.

### **III. CONFLICT OF INTEREST**

Directors/Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to



distinguish between proper and improper activity. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential:

- (a) They should not engage in any activity/employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company.
- (b) They and their immediate families should not solely for the sake of making profit invest in a company, customer, supplier, developer or competitor and generally refrain from investments that compromise their responsibility to the company.
- (c) They should generally avoid conducting company business with a relative or with a firm/company in which a relative/related party is associated in any significant role.

If such related party transaction is unavoidable, it must be fully disclosed to the Board of the company.

#### **IV. OTHER DIRECTORSHIP**

The Directors must disclose their Directorship, Committee membership on the Board of other companies and substantial shareholding in other companies to the Board on an annual basis. It is felt that service on the Board of a direct competitor is not in the interest of the company.

#### **V. CONFIDENTIAL INFORMATION**

Officers are required to maintain the confidentiality of all confidential information that they receive or become privy to in connection with the Company's business, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might prejudice the ability of the Company to pursue certain objectives, be of use to competitors or harmful to the Company, its suppliers or its customers, if disclosed. Confidential information also includes any information relating to the Company's business and affairs that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Company's securities or any information a reasonable investor would consider important in making an investment decision. Officers must not use confidential information for your own advantage or profit.

#### **VI. INSIDER TRADING**

A Director /Senior Management personnel shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the company, not in public domain and therefore constituting insider information. All Directors/Senior Management Personnel shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and Insider Trading Policy of the Company.

#### **VII. CONSUMER FOCUS**



The Directors/Senior Management personnel shall focus on customer satisfaction, which shall be the basic motto of the Company's business. They shall ensure that the communications given are accurate and truthful and do not deliberately omit important facts or shall not be of misleading nature.

## **VIII. CORPORATE OPPORTUNITIES**

Officers may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board and the Board declines to pursue such opportunity.

## **IX. GIFT & DONATIONS**

No Director/Senior Management Personnel of the company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended to obtain business favours and comply with the "Receipt and Gifting Policy".

## **X. DUTIES OF DIRECTORS**

Subject to the provisions of the Companies Act, 2013, a director of a company shall act in accordance with the articles of the company.

1. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of the environment.
2. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
3. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
4. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
5. A director of a company shall not assign his office and any assignment so shall be void.

## **XI. DUTIES OF INDEPENDENT DIRECTORS AS 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.

## **XII. COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS**

Directors/ Senior Management Personnel must comply with all applicable governmental laws, rules and regulations. Directors/ Senior Management Personnel 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 from the Finance and/or Legal Department. Violations of applicable governmental laws, rules and regulations may subject Directors/ Senior Management Personnel to individual criminal and/or civil liability. Such individual violations may also subject the Company to civil and/or criminal liability and/ or the loss of business. Every Employee, Officer and Director is required to certify on annual basis regarding the compliance of the Code.

## **XIII. DISCLOSURES**

Company's policy is to provide full, fair, accurate, timely and understandable disclosure in reports and documents that Company file with, or submit to, the stock exchange, SEBI and/or any other government agency and in all other public communications made by the Company. Company's management has the general responsibility for preparing such filings and communications and shall ensure that the same shall conform to all applicable laws and regulations.



#### **XIV. VIOLATIONS OF THE CODE**

Part of the Directors/ Senior Management Personnel's job, and of his or her ethical responsibility, is to help enforce this Code. Directors/ Senior Management Personnel should be alert to possible violations. Directors/ Senior Management Personnel must cooperate 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, to be avoided.

Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to the Legal/HR Department.

#### **XV. WAIVERS AND AMENDMENTS OF THE CODE**

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver 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.

#### **XVI. NO RIGHTS CREATED**

This Code of conduct is a statement of certain fundamental principles, ethics, values, policies and procedures that govern the Directors and senior management of the Company in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity.