

**DEN NETWORKS LIMITED**

**Registered Office: 236, Okhla Industrial Area, Phase-III, New Delhi-110020**

**CIN: L92490DL2007PLC165673**

**Website: www.dennetworks.com - E-mail:-investorgrievance@denonline.in**

**Telephone Number:- 011-40522200; 40522242; Fax No.- 011-40522203**

**Form No. MGT-12**

**Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

Sr. No.....

1. Name(s) of Shareholder(s) (in block letters) :  
(Including joint holders, if any)
2. Registered address of the sole/first named shareholder :
3. Registered Folio No. / DP ID No. and Client ID No.\* :  
(\* Applicable to investors holding shares in demat form)
4. Number of equity shares held :
5. I/We hereby exercise my/our vote in respect of the resolutions to be passed through postal ballot for the business stated in the Postal Ballot Notice of the Company by sending my/our assent or dissent to the said resolutions by placing the tick (√) mark at the appropriate box below.

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (In Favour)	I/We dissent to the Resolution (Against)
1.	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for authorizing the Board of Directors of the Company to borrow loans in excess of Paid up Capital and Free Reserves of the Company			
2.	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for authorizing the Board of Directors of the Company for creation of Charge/Hypothecation/Mortgage on the movable/immovable properties of the Company for securing the borrowings of the Company			
3.	Special Resolution under Section 13 and other applicable provisions, if any of the Companies Act, 2013 for alteration of Memorandum of Association			



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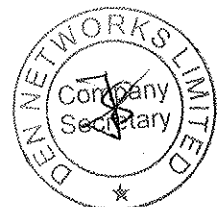
4.	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of Securities under Employee Stock Option Scheme to employees of the Company through Secondary Market Route			
5	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of Securities under Employee Stock Option Scheme to employees and directors of the subsidiary and associates companies through Secondary Market Route			
6	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through Purchase from Secondary Market Route			
7	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of Securities under Employee Stock Option Scheme to employees of the Company through issuance and allotment of new shares			
8	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of Securities under Employee Stock Option Scheme to employees and directors of the subsidiary and associates companies through issuance and allotment of new shares			
9	Special Resolution under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through issuance and allotment of new shares			

Place:

Date:

(Signature of the shareholder)

Electronic Voting Particulars		
EVCN (E-Voting Sequence No.)	User ID	Password/PIN



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**POSTAL BALLOT NOTICE**  
(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given that the draft Resolutions set out below are proposed to be passed through Postal Ballot in pursuant to section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company ("the Board") proposes the same for the approval by members.

Accordingly, your consent is sought for the proposal as contained in the resolutions attached along with an explanatory statement pertaining to the resolutions setting out all material facts and the reasons thereof. Postal Ballot Form is also enclosed.

The Board of Directors has appointed Mr. Neelesh Kumar Jain, Practicing Company Secretary, to act as the scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.

The members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed in all respects in the enclosed self-addressed postage pre-paid envelope, so as to reach the scrutinizer at the Registered Office of the Company on or before the close of working hours on Friday, 02<sup>nd</sup> January, 2015. Members may choose to vote using the e-voting facility, the details whereof are also specified under instructions for e-voting as contained under 'Notes'.

The scrutinizer will submit his report after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on Monday, 05<sup>th</sup> January, 2015 at the Registered Office of the Company.

**RESOLUTIONS: Special Business**

1. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Authorization for borrowings under Section 180 (1) (c) of the Companies Act, 2013**

**"RESOLVED THAT** in supersession of the earlier member's resolution passed through postal ballot on 28<sup>th</sup> February, 2013 and pursuant to provisions of Section 180 (1)(c) and other applicable provisions of the Companies Act, 2013 alongwith rules made thereunder, Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or any committee thereof for borrowing monies, from time to time, at its discretion either from the Company's bankers or any other bank(s), financial institutions(s), international lending agencies or any other lending institution(s), persons, firms, trusts or bodies corporate by way of deposits, advances or other loans, convertible/non-convertible debentures, commercial papers, bonds or any other debts instruments, whether unsecured or secured directly by mortgage, charge, hypothecation or pledge of any of the Company's assets and properties, book debts or by collateral security thereon or on such terms and conditions as may be considered suitable by the Board of Directors, even though the monies to be borrowed together with monies already borrowed by the company, apart from temporary loans obtained from Company's Bankers in the ordinary course of business, exceeds the aggregate paid-up capital of the Company and its free reserves i.e., reserves not set apart for any specific purpose provided, however, that

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the total amount of such borrowings shall not exceed the amount of Rs.2000,00,00,000/- (Rupees Two Thousand Crores only) at any time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient and also to delegate all or any of the above powers to the committee of Directors or any other officers of the Company for giving effect to the above resolution.”

2. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

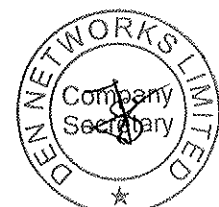
**Creation of charge on assets under Section 180 (1) (a) of the Companies Act, 2013**

“**RESOLVED THAT** in supersession of the earlier member’s resolution passed through postal ballot on 28<sup>th</sup> February, 2013 and subject to the approval of Financial Institutions/Banks and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactments thereof) and rules made thereunder, the consent of the members be and is hereby accorded to the Board of Directors of the Company to mortgage and /or charge, in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/ or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company and together with the power to take over the management of business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowing of the Company availed/to be availed by the way of loan(s) (in foreign currency and/or in rupee currency) and securities (comprising of fully/partly convertible debentures/ non convertible debentures and/or commercial papers and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments), issue/to be issued by the Company, from time to time, in one or more tranches, upto an aggregate limit of Rs. 2000,00,00,000/- (Rupees Two Thousand Crores Only) as approved under Section 180 (1)(c) of the Companies Act, 2013 together with interest at the respective agreed rates, additional interest in case of default, accumulated interest, liquidation damages, commitment charges, premia on repayment, remuneration of the agent(s) and/or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as result of devaluation/ revaluation/ fluctuation in the rates of exchange and all other monies payable by the Company in terms of the respective loan agreement(s), heads of agreement(s), debenture trust deed(s) or any other document entered into/to be entered into between the Company and the lender(s)/investor(s)/agent(s) and/or trustee(s) in respect of the said loans/ borrowings/any other securities and continuing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or any committees thereof and the lender(s), agent(s) and/or trustee(s).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalise the documents and such other agreements for creation of charge as aforesaid any to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution.”

3. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Alteration of Memorandum of Association in terms of Companies Act, 2013**



RESOLVED THAT in accordance with the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") (including any statutory modifications or re-enactment thereof, for the time being in force), the Memorandum of Association of the Company, Listing Agreement entered into by the Company with the BSE Limited & National Stock Exchange of India Limited where the shares of the Company are listed, the guidelines, regulations, circulars and clarifications issued by the Government of India (GOI), Securities and Exchange Board of India (SEBI) and any other statutory or regulatory authorities and subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary and subject to any such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions agreed to by the Board of Directors of the Company (the 'Board' which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded for alteration of the Object clause of the Memorandum of Association of the Company by amending existing Clause III (A) (1) in Memorandum of Association by adding the following object no. 5 after existing paragraph/object no. 4 of Clause III (A) of Memorandum of Association :-

5. To undertake all kinds of activities in the sports and cultural related fields including the providing of sports infrastructure, consultancy and to engage in activities such as organizing sports events, owning or maintaining sports teams, taking on or leasing out stadiums (indoor and outdoor) or play grounds and undertaking other related sports and cultural activities.

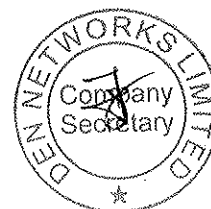
**RESOLVED THAT** the Board of Directors of the Company or any of its duly constituted committee be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns, forms and writings as may be necessary, proper, desirable or expedient.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any of its duly constituted committee be and is hereby authorized, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment.”

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Issue of Securities under Employee Stock Option Scheme (ESOS) through Purchase from Secondary Market**

“RESOLVED THAT in accordance with the provisions contained in the Memorandum and Articles of Association and pursuant to the provisions of Section 62, and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the Regulations”) and such other applicable laws (including any statutory modification(s) or re-enactment of the Act or the Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as “the Committee”) to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to purchase equity shares of the Company from secondary market, for the benefit of employees who are in permanent employment of the Company, whether working in India or out of India, including directors of the



Company, as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and regulations prevailing from time to time (all such persons are hereinafter collectively referred to as "Employees") under a Scheme titled "**DEN Employee Stock Option Scheme- Plan A- 2014**", (hereinafter referred to as the "**DEN ESOP Plan A**"), such number of equity shares of the Company not exceeding 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) under the DEN ESOP Plan A- 2014, in one or more tranches and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee in accordance with the provisions of the law or Regulations issued by the relevant authority.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of **DEN ESOP Plan A** from time to time including, but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise **DEN ESOP Plan A**.

**RESOLVED FURTHER THAT**, for the purpose of acquiring shares from the secondary market, the Company be and is hereby assent to DNL Employees Welfare Trust, an Irrevocable Trust ("Trust"), formed under Indian Trust Act, 1882, set up for the benefits of employees

**RESOLVED FURTHER THAT**, in case of multiple trusts and schemes, the equity shares as may be issued (through purchase from secondary market) pursuant to exercise of Options together with the equity shares issued at the end of financial year immediately prior to the year in which the shareholder approval for issue of new shares has been obtained pursuant to exercise of Options under **DEN ESOP Plan A** shall not exceed 2.5% of the issued and paid up equity share capital of the Company at any time.

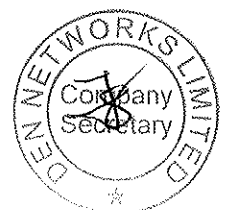
**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, transfer of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time in its sole discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the Company and any other applicable laws or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committee or the Trust, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard".

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through Purchase from Secondary Market**

"**RESOLVED THAT** in accordance with the provisions contained in the Memorandum and Articles of Association and pursuant to the provisions of Section 62, and all other applicable provisions, if any, of



the Companies Act, 2013 ("the Act") and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") and such other applicable laws (including any statutory modification(s) or re-enactment of the Act or the Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as "the Committee") to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to purchase equity shares of the Company from secondary market, for the benefit of employees of the Subsidiary Company(ies) and Directors of the Subsidiary and Associate Company(ies) whether Whole-time Directors or otherwise (hereinafter referred to collectively as the "Employees"), whether working in India or out of India, as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and regulations prevailing from time to time (all such persons are hereinafter collectively referred to as "Employees") under a Scheme titled "**DEN Employee Stock Option Scheme- Plan A-2014**", (hereinafter referred to as the "**DEN ESOP Plan A**"), such number of equity shares of the Company not exceeding 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) under the **DEN ESOP Plan A**, in one or more tranches and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee in accordance with the provisions of the law or Regulations issued by the relevant authority.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of **DEN ESOP Plan A-2014** from time to time including, but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise **DEN ESOP Plan A**.

**RESOLVED FURTHER THAT**, for the purpose of acquiring shares from the secondary market, the Company be and is hereby assent to DNL Employees Welfare Trust, an Irrevocable Trust ("Trust"), formed under Indian Trust Act, 1882, set up for the benefits of employees

**RESOLVED FURTHER THAT**, in case of multiple trusts and schemes, the equity shares as may be issued (through purchase from secondary market) pursuant to exercise of Options together with the equity shares issued at the end of financial year immediately prior to the year in which the shareholder approval for issue of new shares has been obtained pursuant to exercise of Options under **DEN ESOP Plan A, 2014** shall not exceed 2.5% of the issued and paid up equity share capital of the Company at any time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, transfer of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time in its sole discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the Company and any other applicable laws or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.



RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committee or the Trust, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard”.

6. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through Purchase from Secondary Market**

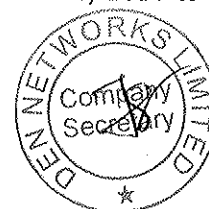
RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as “the Committee”) to issue through the Trust such shares to identified employees during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant of shares under **DEN ESOP Plan A**.

7. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

**Issue of Securities under Employee Stock Option Scheme (ESOS) through issuance and allotment of new shares**

“RESOLVED THAT in accordance with the provisions contained in the Memorandum and Articles of Association and pursuant to the provisions of Section 62, and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the Regulations”) and such other applicable laws (including any statutory modification(s) or re-enactment of the Act or the Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as “the Committee”) to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to introduce, offer, issue, and allot at any time to or to the benefit of employees who are in permanent employment of the Company, whether working in India or out of India, including directors of the Company, as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and Regulations prevailing from time to time (all such persons are hereinafter collectively referred to as “Employees”) under a Scheme titled “**DEN Employees Stock Option Scheme- Plan B- 2014**”, (hereinafter referred to as the “**DEN ESOP Plan B**”), such number of equity shares of the Company not exceeding 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) equity shares under the Scheme, in one or more tranches and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee in accordance with the provisions of the law or Regulations issued by the relevant authority.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot up to 2.5% (i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) of the aggregate of the number of issued and paid up equity shares of the Company as on November 14, 2014 to the





Employees in accordance with DEN ESOP Plan B either directly, or through a trust which may be set up in any permissible manner.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of "**DEN ESOP Plan B**" from time to time including, but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise "**DEN ESOP Plan B**".

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division of the Company and others, the Board / Nomination and Remuneration Committee is authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the Employees.

**RESOLVED FURTHER THAT** all the new equity shares to be issued and allotted as aforesaid shall rank pari passu including dividend inter se with the then existing equity shares of the Company in all respects.

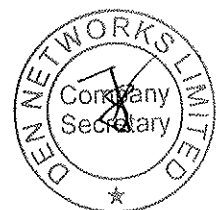
**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted under "**DEN ESOP Plan B**" on the Stock Exchanges as per the provisions of the Listing Agreements with the Stock Exchanges concerned, the Guidelines and other applicable laws and regulations.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Equity Shares are required to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of Shares to be allotted and the exercise price payable by the Option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Re. 10 per Equity Share shall bear to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time in its sole discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the Company and any other applicable laws or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committee, with power to



further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard”.

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-

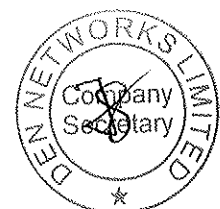
**Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through issuance and allotment of new shares**

“**RESOLVED THAT** in accordance with the provisions contained in the Memorandum and Articles of Association and pursuant to the provisions of Section 62, and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“**the Regulations**”) and such other applicable laws (including any statutory modification(s) or re-enactment of the Act or the Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as “**the Board**” which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as “**the Committee**”) to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to introduce, offer, issue, and allot at any time to or to the benefit of employees of the Subsidiary Company(ies) and Directors of the Subsidiary and Associate Company(ies) whether Whole-time Directors or otherwise (hereinafter referred to collectively as the “**Employees**”), whether working in India or out of India, whether working in India or out of India, including directors of the Company, as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and Regulations prevailing from time to time (all such persons are hereinafter collectively referred to as “**Employees**”) under a Scheme titled “**DEN Employees Stock Option Scheme- Plan-B- 2014**”, (hereinafter referred to as the “**DEN ESOP Plan B**”), such number of equity shares of the Company not exceeding 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) equity shares under the Scheme, in one or more tranches and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee in accordance with the provisions of the law or Regulations issued by the relevant authority.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot up to 2.5% (i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) of the aggregate of the number of issued and paid up equity shares of the Company as on November 14, 2014 to employees of the Subsidiary Company(ies) and Directors of the Subsidiary and Associate Company(ies) whether Whole-time Directors or otherwise in accordance with “**DEN ESOP Plan B**” either directly, or through a trust which may be set up in any permissible manner.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of “**DEN ESOP Plan B**” from time to time including, but not limited to, amendment(s) with respect to vesting period and schedule, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise “**DEN ESOP Plan B**”.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division of the Company and others, the Board / Nomination and Remuneration



Committee is authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the Employees.

RESOLVED FURTHER THAT all the new equity shares to be issued and allotted as aforesaid shall rank pari passu including dividend inter se with the then existing equity shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted under "DEN ESOP Plan B" on the Stock Exchanges as per the provisions of the Listing Agreements with the Stock Exchanges concerned, the Guidelines and other applicable laws and regulations.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Equity Shares are required to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of Shares to be allotted and the exercise price payable by the Option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Re. 10 per Equity Share shall bear to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

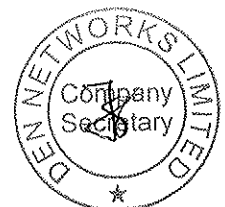
**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time in its sole discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the Company and any other applicable laws or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committee, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard".

9. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-**

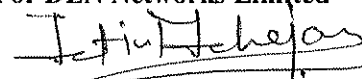
**Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through issuance and allotment of new shares**

RESOLVED THAT consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter



referred to as "the Committee") to issue directly or through the Trust such shares to identified employees during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant of shares under "DEN ESOP Plan B".

**By Order of the Board of Directors  
For DEN Networks Limited**



**Jatin Mahajan**

**Company Secretary**

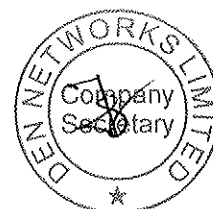
**Membership No. - F-6887**

**Date: 14-11-2014**

**Place: New Delhi**

**Notes:**

1. Explanatory Statement and reasons for the proposed special businesses pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 are given hereunder.
2. The Board of Directors has appointed Mr. Neelesh Kumar Jain, FCS as Scrutinizer to conduct the voting through postal ballot, in a fair and transparent manner and to receive and scrutinize the completed ballot papers from the members. The Postal Ballot form and the self-addressed business reply envelope are enclosed for use of members.
3. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted duly) completed with the assent (for) or dissent (against), in the attached self addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before close of working hours i.e. 5.00 P.M. on Friday, 02nd January, 2015, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. The Scrutinizer will submit his report to the Chairman after completion of scrutiny on Monday, 05<sup>th</sup> January, 2015 and the results of the Postal Ballot will be announced on Monday, 05<sup>th</sup> January, 2015 at 5.00. P.M. at the registered office of the Company at 236, Okhla Industrial Estate, Phase-III, New Delhi-110020. The results of the Postal Ballot will be published in English and Hindi newspapers and will also be posted on the website of the Company at [www.dennetworks.com](http://www.dennetworks.com)
4. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the registered office of the company during the office hours on all working days except Saturday and Sunday between 11.00 A.M to 1.00 P.M up to 02nd January, 2015. Members holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 28th November, 2014, may cast their vote electronically on the Business(es) as set out in the Notice of the Postal Ballot.
5. In compliance with clause 35B of the Listing Agreement and provisions of section 192A of the Act read with the Rules, the Company is pleased to provide Electronic Voting ("e-voting") facility as an alternate for its Members, to enable them to cast their votes electronically instead of despatching the physical Postal Ballot Form by post. The Company has engaged the services of Karvy Computershare Private Limited to provide e-voting facility to its Members. In case a Member votes through e-voting facility as well as sends his vote through physical vote, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.
6. Members opting to vote through physical mode; i.e. sending the Postal Ballot Form duly signed by post, are requested to carefully read the instructions and return the Form duly completed in the



attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours on 02nd January, 2015.

7. The Results will be displayed at the Registered Office, besides being communicated to the Stock Exchanges on which the Company's Equity Shares are listed. The Results will also be hosted on the Company's website [www.dennetworks.com](http://www.dennetworks.com) and will be published in the Newspapers for the information of the Member(s).

#### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.**

##### **ITEM No. 1 & 2**

The Shareholders of the Company in its meeting dated February 28, 2013 through Postal Ballot had empowered, the Board of Directors of the Company to borrow up to an amount of Rs 2000 crores (Rupees One thousand crores only). As per section 293(1)(d) Companies Act, 1956, the borrowing powers was required to be approved by Shareholders through Ordinary Resolution. However, in terms of Section 180 of Companies Act, 2013, the borrowing powers is required to be approved by Shareholders through Special Resolution. **There is no change in amount of borrowing powers for which approval was taken from Shareholders of the Company. Further, the borrowed money is less than the aggregate of Paid Up Capital and Free Reserves of the Company in terms of Section 180(1) (c) of the Companies Act, 2013.**

**However, in terms of Section 180 of Companies Act, 2013, to create mortgage and / to charge on assets, approval of the Members is required through Special Resolution. Hence the said resolution is placed before the Members for their approval as Special Resolution.**

The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors or Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

##### **ITEM NO. 3**

The Wholly Owned Subsidiary of your Company has been awarded rights for a football club for the city of Delhi in the Indian Super League ("ISL"). Your Company is transforming from a B2B company into a B2C company. It has now embarked on the process of its brand building and will require a high outlay on brand building, brand promotion, publicity over a long sustained period of time. Participation in ISL would be a great brand building tool to build top of the mind recall with existing customers, affiliates, potential customers and a whole new youth audience which is addicted to football and not just in its current markets but the whole of India. The company also believes that ISL would be able to build substantial value for its stakeholders, which holds potential for monetization going forward. As it has been seen world-wide, the value built by International Football clubs has been enormous.

Your Company also intends to promote soccer in Country so that it can reach at grass root level and benefit can be gained by all sections of the society.

The Company believes in following good Corporate Governance. In light of good Corporate Governance practice, it is proposed to include sports and entertainment activity in their main objects of business. This new line of business can be carried on conveniently and advantageously with the existing business.



In order to enable the Company to undertake businesses as above, it is proposed to amend the Main Objects Clause of the Memorandum of Association of the Company. By virtue of Section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014; approval of members by way of special resolution under postal ballot is a prerequisite to amend the objects clause of the Company and thus your approval is sought for the same.

The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors, Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

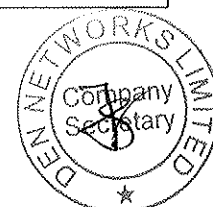
**ITEM No. 4,5 and 6**

Human Resources play a vital role in the growth and success of an organization. It is necessary for a company to adopt effective measures to attract and retain talent and remain competitive in the challenging global market. In addition to being a useful instrument to attract and retain talent, stock options are also recognized as effective instruments to encourage and reward the performance of its Employees who are the drivers of company's growth and to retain them for ensuring stable growth by providing opportunities to such executives to own equity shares of the company. The Company is intended to reward eligible employees for their performance, commitment and support for the growth of DEN and to provide an incentive to continue contributing to the success of the company. It is envisaged that the **DEN Employee Stock Option Scheme- Plan A-2014 (hereinafter referred as "DEN ESOP Plan A")** will enable DEN to attract and retain the best available talent by making them partners in business and its growth. The Board has identified the need to reward the Employees and the Directors (including the Directors but excluding Independent Directors and Directors holding more than 10%) of the company and its subsidiaries / associate companies so as to enable them to participate in the future growth and financial success of the Company and has proposed to offer the eligible Employees an option to acquire the equity shares of the Company under Employee Stock Option Scheme.

In view of the above, the Board has proposed to formulate **DEN ESOP Plan A** in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 by way of purchase of equity shares from the secondary market, which shall not exceed 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) equity shares / securities linked to equity shares convertible into equivalent number of equity shares of Rs. 10/- each of the Company, as on the date(s) of the grant of option(s) under **DEN ESOP Plan A**. The implementation of DEN ESOP Plan A through secondary market will enable the Company to prevent dilution of existing stakeholders to that extent. The Board has accordingly decided to seek the approval of the Members for the same.

The salient features of the **DEN ESOP Plan A** areas under:

<p>Total number of options to be granted</p>	<p>The total number of options that may, in aggregate, be issued would be such number of options which shall entitle the option holders to acquire in one or more tranches up to 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) as on November 14, 2014 (or such other adjusted figures for any bonus, stock splits or consolidations or other re-organization of the capital structure of the company as may be applicable from time to time).</p> <p>The options which lapse / expire or are forfeited will be available for re-granting to Eligible Employee(s).</p>
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<b>Identification of Classes of Employees entitled to participate in ESOP</b>	<p>Eligibility for grant of options</p> <p>(i) Permanent Employees of the Company / its subsidiaries / its associate companies</p> <p>(ii) Directors of the Company / its subsidiaries / its associate companies</p> <p>Employees not eligible for grant of options:</p> <p>(i) An employee who is a promoter or belongs to the promoter group</p> <p>(ii) A director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10 per cent of the outstanding equity shares of the Company at the time of granting of option</p> <p>(iii) Independent Directors</p>
<b>Requirement of Vesting and Period of Vesting</b>	<p>The continuation of the employee in the service of the Company shall be a primary requirement of the vesting. There shall be a minimum period of one year between the date of grant of options and vesting of options. The maximum vesting period shall not exceed five years. The vesting shall happen in one or more tranches as may be decided by the Board.</p> <p>If the services of the employee / Director (including whole-time Director) is terminated, by resignation or otherwise, the options, to the extent not vested, shall lapse / expire and be forfeited forthwith.</p> <p>In the event of death of an employee or if he suffers permanent incapacity while in employment, all the options granted to him till the date of death or permanent incapacity, as the case may be, shall vest with his legal heirs / in him on that date.</p>
<b>Maximum period within which the options shall be vested</b>	<p>The maximum period within which the options shall be vested would be five years from the date of grant.</p>
<b>Exercise Price or Pricing Formula</b>	<p>The Exercise Price for grant of options shall be the market price or at such discount to the market price as may be determined by the Board. However the Exercise Price shall not be less than the par value of the Equity Shares of the Company.</p>
<b>Exercise Period and Process of Exercise</b>	<p>The exercise period shall commence from the date of vesting and expire at the end of five years from the relevant vesting date i.e. where the options are vested in tranches, the 'date of vesting' referred to hereinabove, would be with reference to the actual vesting of the options at each tranche / phase or installment of vesting. The options would be exercisable by submitting the requisite application form / exercise notice to the Company or such other person as the Company may prescribe, subject to conditions for payment of Exercise Price in the manner prescribed by the Board. The Board may grant an extension upon a specific request made by the employee concerned to this effect. All the participants in the Scheme shall deliver a written notice of exercise, in the prescribed form, to the Board on or before the expiry of the exercise period.</p>
<b>Appraisal Process for determining the eligibility of employees</b>	<p>The appraisal process for determining the eligibility of the employee will be specified by the Board and will be based on any or all of the following</p>



<b>for the Scheme</b>	<p>criteria:</p> <ul style="list-style-type: none"> <li>• To attract new talent and retain existing employees</li> <li>• Performance of the employee</li> <li>• Position and responsibility of the employee</li> <li>• Present grade and compensation structure of the employee</li> <li>• Exceptional contribution made by the employee</li> <li>• Integrity and behavior of the employee</li> <li>• Such other parameters as may be decided by the Board</li> <li>• The committee may at its discretion extend the benefits of the ESOP to a new entrant or any existing employee on such other basis as it may deem fit.</li> </ul>
<b>Maximum number of Options to be issued per employee and in aggregate</b>	<p>The maximum number of options granted to any one employee / director of the Company in a year may exceed 1% of the issued Equity Share capital of the Company at the time of granting of an option. However, the maximum number of options granted to any one employee / director of subsidiary/ associate Companies in a year shall not exceed 1% of the issued Equity Share capital of the Company at the time of granting of an option.</p> <p>The aggregate of all such grants, as reduced by options lapsed, cancelled, forfeited or surrendered, shall not exceed 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) options convertible in to equivalent number of equity shares of Rs. 10/- each.</p>
<b>Confirmation with the Accounting Policies</b>	<p>The Company shall confirm to the Accounting Policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 and the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein or applicable Accounting Standard as may be prescribed by the ICAI from time to time.</p>
<b>The method the Company shall use to value the options</b>	<p>The company shall follow the intrinsic value method to value the options. The difference between the employee compensation cost computed based on intrinsic value and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's Report and also the impact of this difference on profit and on EPS of the Company shall also be disclosed in the Director's Report.</p>

The equity shares reserved under **DEN ESOP Plan A** and any other scheme to be implemented by the Company by way of purchase of shares from secondary market shall not exceed the limits specified in Regulation 3(11) of the SEBI Regulations.

DNL Employees Welfare is an existing Trust formed under Indian Trust Act, 1882. Further a person shall not be appointed as a trustee, who is a director, key managerial personnel or promoter of the Company or its subsidiary or associate company or any relative of such director, key managerial





personnel or promoter or beneficially holds ten percent or more of the paid-up share capital of the company.

The Trust shall not deal in derivatives and shall undertake only delivery based transactions. For the purposes of disclosures to the stock exchange, the shareholding of the trust shall be shown as non-promoter and non-public' shareholding. The total number of shares under secondary acquisition held by the trust shall at no time exceed the limits as may be prescribed under **SEBI (Share Based Employee Benefits) Regulations, 2014.**

The trust shall make necessary disclosures and comply with the other requirements applicable to insiders or promoters under the SEBI (Prohibition of Insider Trading) Regulations, 1992 or any modification or re-enactment thereto.

The trust shall not sell the shares in secondary market except under the permissible circumstances as may be prescribed under SEBI (Share Based Employee Benefits) Regulations, 2014.

Secondary acquisition in a financial year by the trust shall not exceed two per cent of the paid up equity capital as at the end of the previous financial year. However, trust may acquire upto 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) subject to compliance of regulations.

Subject to the requirements of Companies Act, 2013 read with Rules, as may be amended from time to time, as may be applicable, the company may lend monies to the trust on appropriate terms and conditions to acquire the shares either through new issue or secondary acquisition, for the purposes of implementation of the scheme(s).

The trustees of a trust, which is governed under these regulations, shall not vote in respect of the shares held by such trust.

**The Company shall comply all necessary disclosures as may be prescribed under the Companies Act, 2013 (including rules thereof), SEBI (Share Based Employee Benefits) Regulations, 2014, and any other law as may be applicable and amended from time to time.**

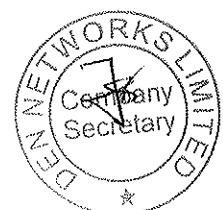
The equity shares allotted pursuant to the exercise of the Options shall be listed on the Stock Exchanges where the Company's Equity Shares are listed and necessary applications will be made to those Stock Exchange(s) in this behalf.

As per Regulation 6(2)(a) of the Regulations, any Employees Stock Option Scheme must be approved by way of a special resolution.

Regulation 6(3)(c) of the Regulations requires that a separate resolution is required to be passed if the benefits of the Scheme are to be extended to eligible employees of the subsidiary / associate companies. Accordingly the resolution set out at item no. 4, 5 & 6 are being placed for approval of the members.

As per Regulation 6(3)(d) of the Regulations, approval of the shareholders by way of a separate resolution is required to be obtained, in case grant of options to eligible employees, during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant of options is proposed to be made. Accordingly the resolution set out at item no. 4, 5 & 6 are being placed for approval of the members.

As per clause 49 of the Listing Agreement all fees / compensation (including stock options) paid to non-executive directors, including independent directors, shall require previous approval of shareholders in



general meeting. The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors in any financial year and in aggregate. Since it is proposed to grant options to Directors (other than Independent Directors and Directors holding more than 10%), resolution set out in item no. 4, 5 & 6 are placed for approval of the members.

The options to be granted / shares to be issued under the Scheme shall not be treated as an offer or invitation made to public for subscription in the securities of the Company.

The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolutions, except to the extent of their shareholding in the Company and to the extent of the options / shares that may be offered to them under the Scheme.

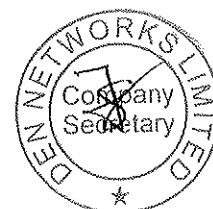
**ITEM No. 7, 8 & 9**

Human Resources play a vital role in the growth and success of an organization. It is necessary for a company to adopt effective measures to attract and retain talent and remain competitive in the challenging global market. In addition to being a useful instrument to attract and retain talent, stock options are also recognized as effective instruments to encourage and reward the performance of its Employees who are the drivers of company's growth and to retain them for ensuring stable growth by providing opportunities to such executives to own equity shares of the company. The Company is intended to reward eligible employees for their performance, commitment and support for the growth of DEN and to provide an incentive to continue contributing to the success of the company. It is envisaged that the **DEN Employee Stock Option Scheme- Plan B-2014 (hereinafter referred as "DEN ESOP Plan B")** will enable DEN to attract and retain the best available talent by making them partners in business and its growth. The Board has identified the need to reward the Employees and the Directors (including the Directors but excluding Independent Directors and Directors holding more than 10%) of the company and its subsidiaries / associate companies so as to enable them to participate in the future growth and financial success of the Company and has proposed to offer the eligible Employees an option to acquire the equity shares of the Company under Employee Stock Option Scheme.

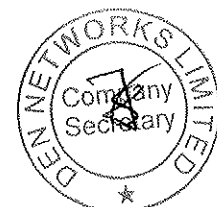
In view of the above, the Board has proposed to formulate **DEN ESOP Plan B** in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted under DEN ESOP Plan B should not exceed 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) as on November 14, 2014 equity shares / securities linked to equity shares convertible into equivalent number of equity shares of Rs. 10/- each of the Company, as on the date(s) of the grant of option(s) under **DEN ESOP Plan B**. The Board has accordingly decided to seek the approval of the Members for the same.

The salient features of the **DEN ESOP Plan B** are as under:

<p>Total number of options to be granted</p>	<p>The total number of options that may, in aggregate, be issued would be such number of options which shall entitle the option holders to acquire in one or more tranches up to 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) as on November 14, 2014 (or such other adjusted figures for any bonus, stock splits or consolidations or other re-organization of the capital structure of the company as may be applicable from time to time).</p>
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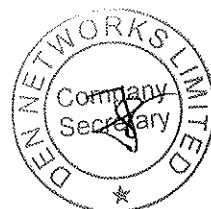


	The options which lapse/expire or are forfeited will be available for re-granting to Eligible Employee(s).
<b>Identification of Classes of Employees entitled to participate in ESOP</b>	<p>Eligibility for grant of options</p> <p>(i) Permanent Employees of the Company / its subsidiaries / its associate companies</p> <p>(ii) Directors of the Company / its subsidiaries / its associate companies</p> <p>Employees not eligible for grant of options:</p> <ul style="list-style-type: none"> <li>- An employee who is a promoter or belongs to the promoter group</li> <li>- A director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10 per cent of the outstanding equity shares of the Company at the time of granting of option</li> <li>- Independent Directors</li> </ul>
<b>Requirement of Vesting and Period of Vesting</b>	<p>The continuation of the employee in the service of the Company shall be a primary requirement of the vesting. There shall be a minimum period of one year between the date of grant of options and vesting of options. The maximum vesting period shall not exceed five years. The vesting shall happen in one or more tranches as may be decided by the Board.</p> <p>If the services of the employee / Director (including whole-time Director) is terminated, by resignation or otherwise, the options, to the extent not vested, shall lapse / expire and be forfeited forthwith.</p> <p>In the event of death of an employee or if he suffers permanent incapacity while in employment, all the options granted to him till the date of death or permanent incapacity, as the case may be, shall vest with his legal heirs / in him on that date.</p>
<b>Maximum period within which the options shall be vested</b>	The maximum period within which the options shall be vested would be five years from the date of grant.
<b>Exercise Price or Pricing Formula</b>	The Exercise Price for grant of options shall be the market price or at such discount to the market price as may be determined by the Board. However the Exercise Price shall not be less than the par value of the Equity Shares of the Company.
<b>Exercise Period and Process of Exercise</b>	The exercise period shall commence from the date of vesting and expire at the end of five years from the relevant vesting date i.e. where the options are vested in tranches, the 'date of vesting' referred to hereinabove, would be with reference to the actual vesting of the options at each tranche / phase or installment of vesting. The options would be exercisable by submitting the requisite application form / exercise notice to the Company or such other person as the Company may prescribe, subject to conditions for payment of Exercise Price in the manner prescribed by the Board. The Board may grant an extension upon a specific request made by the employee concerned to this effect. All the participants in the Scheme shall



	deliver a written notice of exercise, in the prescribed form, to the Board on or before the expiry of the exercise period.
<b>Appraisal Process for determining the eligibility of employees for the Scheme</b>	<p>The appraisal process for determining the eligibility of the employee will be specified by the Board and will be based on any or all of the following criteria:</p> <ul style="list-style-type: none"> <li>• To attract new talent and retain existing employees</li> <li>• Performance of the employee</li> <li>• Position and responsibility of the employee</li> <li>• Present grade and compensation structure of the employee</li> <li>• Exceptional contribution made by the employee</li> <li>• Integrity and behavior of the employee</li> <li>• Such other parameters as may be decided by the Board</li> <li>• The committee may at its discretion extend the benefits of the ESOP to a new entrant or any existing employee on such other basis as it may deem fit.</li> </ul>
<b>Maximum number of Options to be issued per employee and in aggregate</b>	<p>The maximum number of options granted to any one employee / director of the Company in a year may exceed 1% of the issued Equity Share capital of the Company at the time of granting of an option. However, the maximum number of options granted to any one employee / director of subsidiary/ associate Companies in a year shall not exceed 1% of the issued Equity Share capital of the Company at the time of granting of an option.</p> <p>The aggregate of all such grants, as reduced by options lapsed, cancelled, forfeited or surrendered, shall not exceed 2.5% of the Paid up Capital of the Company i.e., 44,54,995 (Forty Four Lacs Fifty Four thousand nine hundred ninety five only) options convertible in to equivalent number of equity shares of Rs. 10/- each.</p>
<b>Confirmation with the Accounting Policies</b>	The Company shall confirm to the Accounting Policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 and the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein or applicable Accounting Standard as may be prescribed by the ICAI from time to time.
<b>The method the Company shall use to value the options</b>	The company shall follow the intrinsic value method to value the options. The difference between the employee compensation cost computed based on intrinsic value and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's Report and also the impact of this difference on profit and on EPS of the Company shall also be disclosed in the Director's Report.

The equity shares allotted pursuant to the exercise of the Options shall be listed on the Stock Exchanges where the Company's Equity Shares are listed and necessary applications will be made to those Stock Exchange(s) in this behalf.



As per Regulation 6(1) of the Regulations, any Employees Stock Option Scheme must be approved by way of a special resolution. Further as the Scheme will entail further shares to be offered to persons other than existing members of the Company, consent of the Members is required for issue of the equity shares and / or instruments entitling the holder to subscribe to or purchase equity shares, in terms of the provisions of Section 62(1)(b) of the Companies Act, 2013.

Regulation 6(3)(c) of the Regulations requires that a separate resolution is required to be passed if the benefits of the Scheme are to be extended to eligible employees of the subsidiary / associate companies. Accordingly the resolution set out at item no. 7, 8 & 9 are being placed for approval of the members.

As per Regulation 6(3)(d) of the Regulations, approval of the shareholders by way of a separate resolution is required to be obtained, in case grant of options to eligible employees, during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant of options is proposed to be made. Accordingly the resolution set out at item no. 7, 8 & 9 are being placed for approval of the members.

As per clause 49 of the Listing Agreement all fees / compensation (including stock options) paid to non-executive directors, including independent directors, shall require previous approval of shareholders in general meeting. The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors in any financial year and in aggregate. Since it is proposed to grant options to Whole Time directors (other than Independent Directors and Directors holding more than 10%), resolution set out in item no. 7, 8 & 9 are placed for approval of the members.

Subject to the requirements of Companies Act, 2013 read with Rules, as may be amended from time to time, as may be applicable, the company may lend monies to the trust on appropriate terms and conditions to acquire the shares either through new issue or secondary acquisition, for the purposes of implementation of the scheme(s).

For the purposes of disclosures to the stock exchange, the shareholding of the trust shall be shown as non-promoter and non-public' shareholding

The trustees of a trust, which is governed under these regulations, shall not vote in respect of the shares held by such trust.

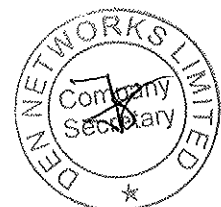
The trust shall make necessary disclosures and comply with the other requirements applicable to insiders or promoters under the SEBI (Prohibition of Insider Trading) Regulations, 1992 or any modification or re-enactment thereto.

**The Company shall comply all necessary disclosures as may be prescribed under the Companies Act, 2013 (including rules thereof), SEBI (Share Based Employee Benefits) Regulations, 2014, and any other law as may be applicable and amended from time to time.**

The options to be granted / shares to be issued under the Scheme shall not be treated as an offer or invitation made to public for subscription in the securities of the Company.

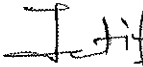
The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolutions, except to the extent of their shareholding in the Company and to the extent of the options / shares that may be offered to them under the Scheme.



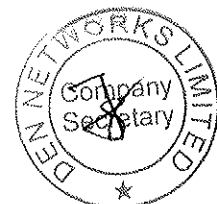
Date:14-11-2014  
Place: New Delhi

By Order of the Board of Directors  
For DEN Networks Limited

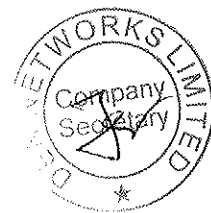
  
Jatin Mahajan  
Company Secretary  
Membership No. - F-6887

**INSTRUCTIONS FOR VOTING IN PHYSICAL MODE**

1. A Shareholder/Beneficial Owner desiring to exercise vote by postal ballot may complete this Postal Ballot Form (in original) and send it to the Scrutinizer appointed by the Company in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered shareholder will also be accepted. Voting through any other form or photocopy of the postal ballot form will not be considered valid.
2. The self-addressed envelope bears the address of the Scrutinizer appointed on the authority of the Board of Directors of the Company.
3. The vote should be cast, for each resolution, either in favour or against by putting the tick mark in the column provided for assent or dissent.
4. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
5. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on November 28, 2014
6. Votes will be considered invalid on the following grounds:
  - a. If the postal ballot is unsigned;
  - b. If the member's signature does not tally;
  - c. If the member has marked all his shares both in favour and also against the special resolution;
  - d. If the form is incomplete or incorrectly filled;
  - e. If the ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds.
7. Duly completed and signed Postal Ballot Form should reach the Company not later than the close of working hours on Friday, January 02, 2015. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
8. In case of shares held by companies, trust, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board/Trustee Resolution/ Authority. The Scrutinizer reserves the right to disqualify the Postal Ballot Form in case proof of authority is not accompanied with the Postal Ballot Form, which decision shall be final & binding.
9. Members are requested not to send any other paper along-with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company and / or the Scrutinizer shall not be held responsible for the same.
10. There will be only one Postal Ballot form for every folio irrespective of the number of joint member(s).



11. The date of declaration of the results of postal ballot will be taken to be the date of passing the resolutions.
12. The Scrutinizers decision on the validity of the Postal Ballot will be final.
13. The Postal Ballot form and the self-addressed business reply envelope are enclosed for use of members. Shareholders are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.





### INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting: -

1. The Company is extending its offer of **e-voting facility** as an alternate, for its Members to enable them to cast their vote electronically instead of dispatching Postal Ballot.

The procedure and instructions for e-voting are as follows:

- i. Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii. Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- <input type="checkbox"/> Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii. Please contact at toll free No. **1-800-3454-001** for any further clarifications.

- iv. After entering these details appropriately, click on “LOGIN”.

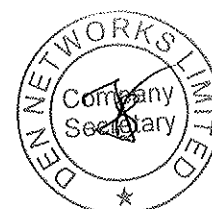
v. Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile number, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi. You need to login again with the new credentials.

- vii. On successful login, system will prompt to select the ‘Event’ and ‘Company Name’ i.e., DEN NETWORKS LIMITED.

viii. If you are holding shares in Demat form and had logged on to “https://evoting.karvy.com” and casted your vote earlier for any company, then your exiting login id and password are to be used.

- ix. On the voting page, you will see Resolution Description and against the same the option ‘FOR/AGAINST/ABSTAIN’ for voting. Enter the number of shares (which represents number of votes)



under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'

x. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xi. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xii. Members can cast their vote online from Wednesday, December 03, 2014 to Friday, 02nd January, 2015 (i.e., the last date of receipt of Postal Ballot Form) .

xiii. Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to nkj@njk.co.in with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."

xiv. Voting period will commence on and from Wednesday, December 03, 2014 to Friday, 02nd January, 2015 (i.e., the last date of receipt of Postal Ballot Form)

**xiv. Kindly note that the members can opt only one mode for voting i.e. either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both via Physical Ballot and e-voting, then voting done through Physical Ballot shall prevail and voting done by e-voting will be ignored.**

