



CODE OF CONDUCT

FOR DIRECTORS & SENIOR MANAGEMENT PERSONNEL

Introduction

The purpose of this Code of Conduct is to conduct the business of the Company in accordance with the applicable laws, regulations, rules and with the highest business standard of ethics and values. This Code shall come into force with immediate effect and is applicable on each and every Director / Officer (as defined herein below) and they shall be duty-bound to follow the provisions of this Code strictly.

1. **Applicability**

This Code of Conduct applies to the following:

- (i) All Members of the Board of Directors of the Company and
- (ii) All Departmental / Functional heads of different functions of the Company.

2. **Definitions**

- (i) “**Board**” means Board of Directors of the Company;
- (ii) “**Code**” means Code of Conduct adopted by the Board of Directors including deletion, addition and amendments duly adopted by the Board from time to time;
- (iii) “**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 harm the Company, its suppliers or its advertisers, if disclosed and 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 value of the Company's securities or any information a reasonable investor would consider important in making an investment decision;
- (iv) “**Director**” means Director as defined under clause (13) of Section 2 of Companies Act, 1956;
- (v) “**Officer**” means All Departmental / Functional heads of different functions of the Company, by whatever designation they are called;
- (vi) “**Relatives**” include spouse, siblings, sibling's spouse, children, children's spouse, parents, grandparents, grandchildren and step relationships.

3. **Ethical Conduct**

The Company expects from all the Directors / Officers to act in accordance with the highest standards of personal and professional integrity, loyalty, honesty and ethical

conduct, while working at the Company's premises, at offsite locations, and / or at any other place where the Directors / Officers represent the Company.

4. Conflicts of Interest

It shall be the duty of the each Director / Officer of the Company that he shall disclose actual and apparent conflicts of interest between him and Company. A conflict of interest may exist when a Director / Officer is involved in activity or has a personal (direct or indirect) interest, which in the opinion of the Company interferes with Director / Officer's objectivity in performing his official duties and responsibility. Following are some of the inclusive examples of conflicts, which, each Director / Officer shall try his level best to avoid:

A. Outside Employment:- All Executive Directors / Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or otherwise in conflict with or prejudicial to the Company. Each Officer shall inform the Board of any change in events / circumstances / conditions that may interfere with their ability to perform their duties.

B. Other Directorships: It is a conflict of interest to serve as a Director of any Company that competes directly with the Company. Directors / Officers must first obtain approval from the Company's Board of Directors before accepting such Directorship.

D. Related Parties Transactions: As a general rule, Director / Officers, before conducting Company business with a relative and / or with a business in which a relative is associated in any significant role, must disclose their interest before the Board of Directors of the Company and take Board' prior approval for the same.

E. Gifts: In any case, Director / Officer shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc. of the Company, that is perceived and / or intended, directly or indirectly, to influence any business decision, of the Company.

F. Other Conflicts: In other cases of conflicts of interest, not mentioned above, which may arise, Directors / Officers are expected to act in accordance with Business Judgement Value and must try to avoid those Conflicts. If a proposed transaction or situation raises any questions or doubts, Directors / Officers must give the appropriate disclosure to the Board and if essential, will take their approval

5. Compliance with Statutory Laws, Rules and Regulations

All Directors / Officers shall comply with all applicable statutory laws, rules and regulations. Directors / Officers must acquire appropriate knowledge of the legal requirements relating to their duties and responsibilities, and to know when to seek advice from the Finance and / or Legal Department. Violations of applicable governmental laws, rules and regulations may render them and to the Company subject to the criminal and / or civil liability and / or the loss of business.

6. Confidential Information

All Directors / 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 under legal mandate.

Further, Directors / Officers must not use confidential information for their own advantage or profit directly or indirectly.

7. *Violations of Code*

All Directors / Officer's job shall have ethical responsibility to implement and enforce this Code. Directors / Officers should be alert to possible violations. All Directors / Officers shall co-operate in any internal or external investigations of alleged violations. Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to the Legal / HR Department.

8. *Waivers and Amendments of Code*

Board is 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 shall be subject to the approval of Board and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations.

Note:

This Code of conduct is a code to govern the conduct of Directors and senior management of the Company by certain fundamental business principles, ethics, values, policies and procedures. It is neither intended nor it does, create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity.

For Valiant Communications Limited

**Inder Mohan Sood
Managing Director**

**Place: New Delhi
Date: December 29th 2005**

**Valiant Communications Limited
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India**