



## Eros International Media Limited

Date: November 16, 2017

Mr. S.Lakshminarayanan  
'Yarrows', Plot B-7/2, Plot C-58/5, Sector-62  
NOIDA (U.P.)- 201309

### **Subject: Letter of Appointment as an Additional Independent Director**

Dear Sir,

We are pleased to inform you that due to your accomplishments and the wide range of experience and expertise that you can offer, upon the recommendation of the Nomination & Remuneration Committee, the Board of Directors of Eros International Media Limited ("the Company") has approved your appointment as an Additional Independent Director of the Company with effect from November 14, 2017.

Pursuant to the requirements of Schedule IV of the Companies Act, 2013 ("the Act") pertaining to the Code of Independent Directors, we shall issue this formal letter of appointment on the approval of your appointment by the shareholders of the Company at the ensuing Annual General Meeting.

#### **1. TENURE OF APPOINTMENT:**

You will serve as an Additional Independent Director commencing from November 14, 2017 upto the date of ensuing Annual General Meeting and thereafter your appointment shall be regularized by the Shareholders of the Company for a first term of five years commencing from the date of Annual General Meeting.

Your appointment is not a contract of employment of the Company.



#### **EROS INTERNATIONAL MEDIA LIMITED**

Corporate Office: 901/902, Supreme Chambers, Off Veera Desai Road, Andheri (W), Mumbai - 400 053.  
Tel.: +91-22-6602 1500 Fax: +91-22-6602 1540 E-mail: eros@erosintl.com • www.erosintl.com  
Regd. Office: Kailash Plaza, 2<sup>nd</sup> Floor, Plot No. 12, Off Veera Desai Road, Andheri (W), Mumbai - 400 053.  
CIN No. L99999MH1994PLC080502



## 2. TERMS OF APPOINTMENT:

We thank you for your confirmation that you meet the independence criteria as envisaged in section 149(6) of the Act.

### Re-appointment:

On the conclusion of the first term of appointment of five consecutive years, you may further be appointed for a term of five consecutive years subject to the approval of the Board on the basis of the performance evaluation report and approval of shareholders by way of a special resolution.

### Membership of other boards:

You can continue on the Boards of other companies. However, there should not be any conflict of interest vis-à-vis our company. Upon joining as member of another Board, you will be required to inform the Company immediately.

### Retirement:

As provided under the Act, you will not be liable to retire by rotation at any General Meeting of the Company.

## 3. COMMITTEES OF THE BOARD:

The Company has the following Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee.
- e) Management Committee

You may be requested

- a) To be a Member/Chairman of any one or more Committees/Sub-committees of the Board which may be constituted from time to time.
- b) To be a member on the Board of one or more of the Company's subsidiary.

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#### 4. ABOUT THE COMPANY:

A brief presentation on the Company stating the organization structure is enclosed with this letter as Annexure A.

#### 5. DEVOTION OF TIME:

It is expected that you will give sufficient time, as may be appropriate and essential in line with your responsibilities and duties as an Independent Director.

#### 6. REMUNERATION:

As per the provisions of the Companies Act, 2013, the maximum limit of remuneration to be paid to all the Non-Executive Directors (NED)/Independent Directors of the Company is capped at 1% of the net profits of the Company.

At present, the Board of Directors has fixed Sitting fees of Rs. 40,000 per meeting of the Board and Committee meetings. You will be entitled to reimbursement of expenses incurred by you, in connection with your attendance at Board, Committee and general meetings.

In addition to the sitting fees, profit related commission would also be payable to you. In determining the amount of this commission, the Nomination & Remuneration Committee of the Company may consider various factors which *inter alia* include attendance at Board and Committee meetings, Chairmanship of the Board and Committees, contribution to the Board and Committee meetings, providing of guidance and support to senior management of the Company outside of Board meetings, industry practices, performance evaluation and performance of the Company.

#### 7. ROLES & FUNCTIONS:

As an independent director, you will be expected to –

- a) Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b) Bring an objective view in the evaluation of the performance of board, committees and individual directors;





- c) Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) Ensure the integrity of financial information and that financial controls and the systems of risk management are robust and flexible;
- e) Safeguard and balance the interest of all stakeholders;
- f) Moderate and arbitrate in the interest of the company in situations of conflict between management and shareholder's interest.

## 8. RESPONSIBILITIES & DUTIES:

Following will be your responsibilities and duties –

- a) Updation of your skills, knowledge and familiarity with the Company and the external environment in which it operates;
- b) Seeking appropriate clarification or amplification of information;
- c) Striving to attend and actively participate in all meetings of the Board and Committees of which you are a chairperson/member as well as the general meetings of the Company;
- d) Holding and/or participating actively in the separate meetings of the independent directors of the Company which shall –
  - review the performance of non-independent directors and the Board as a whole;
  - review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors;
  - assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- e) Ensuring that your concerns about the running of the Company or a proposed action, are addressed by the Board and, to the extent that are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
- f) Not unfairly obstructing the functioning of an otherwise proper Board or committee of the Board;
- g) Ensuring adequate deliberations, before approving related party transactions and assuring yourself that the same are in the interests of the Company;
- h) Ensuring that the Company has an adequate and functional vigil mechanism and reporting concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy if any;

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- i) Acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and employees;
- j) Not disclosing 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.

## 9. PROFESSIONAL CONDUCT:

As an independent director, you shall-

- a) Uphold ethical standards of integrity and probity;
- b) Act objectively and constructively while exercising his duties;
- c) Exercise your responsibilities in a *bona fide* manner in the interest of the company;
- d) Devote sufficient time and attention to your professional obligations for informed and balanced decision making;
- e) Not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f) Not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Refrain from any action that would lead to loss of your independence;
- h) Where circumstances arise which make an you lose your independence, you must immediately inform the Board accordingly;
- i) Assist the Company in implementing the best corporate governance practices.

## 10. FAMILIARISATION PROGRAMMES:

The Company holds Board meetings at its registered office or at corporate office, and also if necessary, in locations, where it operates. Presentations are made regularly to the Board and the committees where Directors get an opportunity to interact with senior managers. Presentations, inter alia, cover business strategies, management structure, HR policy, management development and succession planning, quarterly and annual results, budgets, review of various policies, review of inter audit, risk management framework, operations of subsidiaries and associates, etc.

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You will also be updated about various happenings in the company through e-mails or other relevant modes.

The Company will facilitate your attending seminars/programs/conferences designed to train directors to enhance their role as a non-executive Independent Director.

#### **11. CODE OF CONDUCT OF THE COMPANY:**

The Company has a well-defined Code of Conduct ensuring proper compliance with necessary regulations. Every Director is expected to abide by the Code of Conduct in complete letter and spirit. Copy of the Company's Code of Conduct is attached as Annexure B for your reference.

#### **12. DEALING IN SECURITIES OF THE COMPANY:**

Directors are prohibited from dealing in the Company's securities during the period when the trading window is closed. Directors are prohibited from forward dealing in securities of the Company. Also they should not enter into insider trading.

Copy of Eros International Media Limited's Code of Conduct for Prohibition of Insider Trading Regulations and Code for Prohibition of Unfair and Fraudulent Trade Practices are attached herewith as Annexure C, for your reference.

#### **13. TRANSFER PRICING REGULATIONS:**

The Government had introduced certain provisions in the Income Tax Act to ensure that specific domestic transactions between related parties are done at Arm's Length. The Company has to report the prescribed domestic transactions to the income tax authorities for which we request you to give a list of persons/entities which are related to you as per the definition of 'related parties' given in the Domestic Transfer Pricing guideline.

You shall give us the specified transactions done by you or by your relatives or by entities, if you are aware of such transactions apart from annual disclosures made by you.

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#### **14. LIABILITY OF NON-EXECUTIVE DIRECTORS & INDEPENDENT DIRECTORS:**

Abiding by the provisions of the Act, we would like to mention that you being an additional Non-Executive Independent Director of the Company, will be held liable, only in respect of such acts of omission or commission which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

#### **15. DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE:**

A Directors & Officers (D&O) Liability Insurance policy is an insurance cover to protect the individual directors and officers in respect of personal liabilities arising out of their wrongful acts, committed in the course of their official duty. These wrongful acts can be actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission.

The Company has a liability limit of Rs. 25 crores and extends worldwide.

The policy covers individual Directors and Employees, outside entity directors, spouse & legal heir of the insured person, retired directors. The Company has a D&O Policy which covers the Company as well as all its Subsidiaries. Outside Entity Directors cover gives protection to those directors nominated on associate companies by the policy holder or its subsidiaries. Copy of D&O policy is attached herewith as Annexure D

We have great pleasure in welcoming you on the Board and look forward to working closely with you.

Thanking You,

Yours faithfully,

For **Eros International Media Limited**

A handwritten signature in blue ink, appearing to be "M. S. Desai", is written over the text "For Eros International Media Limited".



**Executive Vice Chairman & Managing Director**

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