



EROS INTERNATIONAL MEDIA LIMITED

CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT PERSONNEL

EROS INTERNATIONAL MEDIA LIMITED

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Code of Business Conduct and Ethics for Directors, Key Managerial Personnel & Senior Management Personnel

1. INTRODUCTION

Eros International Media Limited (“the Company” or “Eros”) is committed to good governance practice and for conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and ethical conduct.

2. APPLICABILITY

This Code of Conduct for Directors (hereinafter referred to as “Code”) is framed in accordance with Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulations”) applicable w.e.f. December 1, 2015.

This Code is applicable to the following:

- 2.1. Directors, both Executive & Non-Executive Directors, including the Alternate Directors or Nominee Directors if appointed on the Board;
- 2.2. Key Managerial Personnel [KMPs] as appointed by the Board, from time to time; and
- 2.3. Senior Management Personnel [SMPs] i.e. shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer (CFO).

The principal duty of the Board of Directors, along with Management (including KMPs and SMPs), is to ensure that the Company is well managed in the interests of its stakeholders. This Code is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability.

Every Director and SMPs are expected to read and understand this Code and its application to the performance of his or her duties, functions and responsibilities.

3. COMPLIANCE WITH THE CODE

- 3.1. Each Director and Senior Management team member is accountable for adherence to this Code.
- 3.2. Every Director and Senior Management Personnel has to affirm the compliance with the Code on annual basis, which shall form the basis for the certification by CFO in the Annual Reports of the Company.



4. DUTIES OF THE BOARD OF DIRECTORS/ SMPs

- 4.1. A Director/ SMP of the Company shall act in accordance with the Articles of the Company, subject to the applicable provisions of the Companies Act, 2013.
- 4.2. A Director/KMP/SMP of the Company shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- 4.3. A Director/KMP/SMP of the Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- 4.4. A Director/KMP/SMP of the Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 4.5. A Director/KMP/SMP of the Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director/KMP/SMP is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- 4.6. A Director/KMP/SMP of the Company shall not assign his office and any assignment so made shall be void.
- 4.7. The Directors/KMPs/SMPs of the Company shall disclose the following information to the Board of Directors / Company:
 - Disclosure of any material interest, whether directly/indirectly or on behalf of third parties, in any transaction or matter directly affecting the Company.
- 4.8. The Board and top management should conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision-making.
- 4.9. Each Director/ SMP should act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, whenever the Company's business is being conducted at any place where such Director/ SMP is representing the Company.

5. ROLES AND RESPONSIBILITY OF THE BOARD OF DIRECTORS

In accordance with the Listing Regulations, the Board of Directors should fulfill certain key functions, including the following:



5.1. Disclosure of information:

- 5.1.1. Members of board of directors and key managerial personnel shall disclose to the board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.
- 5.1.2. The board of directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

5.2. Key Functions of the Board of Directors:

- 5.2.1. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
- 5.2.2. Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.
- 5.2.3. Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
- 5.2.4. Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.
- 5.2.5. Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
- 5.2.6. Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- 5.2.7. Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- 5.2.8. Overseeing the process of disclosure and communications.
- 5.2.9. Monitoring and reviewing board of director's evaluation framework.
- 5.2.10. Responsible for framing, implementing and monitoring the risk management plan for the listed entity.



5.3. Other responsibilities:

- 5.3.1. The board of directors shall provide strategic guidance to the Company, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
- 5.3.2. The board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.
- 5.3.3. Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
- 5.3.4. The board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.
- 5.3.5. Where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.
- 5.3.6. The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- 5.3.7. The board of directors shall exercise objective independent judgement on corporate affairs.
- 5.3.8. The board of directors shall consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
- 5.3.9. The board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.
- 5.3.10. The board of directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- 5.3.11. When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
- 5.3.12. Members of the board of directors shall be able to commit themselves effectively to their responsibilities.
- 5.3.13. In order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.
- 5.3.14. The board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors.



Apart from the above duties, functions and responsibilities expected to be delivered and adhered to by the Director as per the Companies Act 2013 and as per the Listing Regulations, the Board alongwith SMPs are required to adhere and follow the below mentioned guidelines governing their conduct:

6. COMPLIANCE WITH APPLICABLE LAWS

In the discharge of their duties and responsibilities, Directors and Senior Management Personnel must comply with all applicable laws, Rules and Regulations. This would include applicable RBI Guidelines, Prevention of Money Laundering Act, Anti Money Laundering Guidelines, FEMA, Securities laws, Insider Trading laws and the Company's insider trading compliance policies.

7. CONFLICTS OF INTEREST

- 7.1. The Code does not attempt to describe all conceivable conflicts of interest that could develop in usual affair. However, the Directors/ SMPs must avoid all possible sorts of conflicts of interest.
- 7.2. Director/ SMP should also be mindful of, and seek to avoid, conduct which could reasonably be construed as creating an appearance of a conflict of interest. While Directors/ SMPs are free to make personal investments and enjoy social relations and normal business courtesies, they must not have any interests that adversely influence the performance of their duties, functions and responsibilities as Directors/ SMPs of the Company.
- 7.3. A conflict situation can also arise when subject acts or has interest that may make it difficult to perform his or her Company work objectively and effectively or when his or her family members receives improper personal benefits as a result of his or her position in the Company.
- 7.4. Directors/ SMPs should make a full disclosure to the Board of any transaction or relationship that such a Director/ SMP reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions or relationships.
- 7.5. It is a conflict of interest to serve as a Director of any Company that competes with the Company. Directors/ SMPs should obtain prior approval from the Board of Directors before accepting such a directorship.

8. CORPORATE BUSINESS OPPORTUNITY

- 8.1. A corporate business opportunity is an opportunity (1) which is in the Company's line of business or proposed expansion or diversification, (2) which the Company is financially able to undertake and (3) which may be of interest to the Company.
- 8.2. A Director/KMP/SMP who learns of such a corporate business opportunity and who wishes to avail of it should first disclose such opportunity to the Company's Board of Directors. If the Board of Directors determines that the Company does not have an actual or expected interest in such opportunity, then, and only then, may the director avail of it, provided that the



Director/KMP/SMP has not wrongfully utilized the Company's resources in order to acquire such opportunity.

8.3. In carrying out their duties, functions and responsibilities, Directors/KMPs/SMPs shall not:

- Compete with the Company, directly or indirectly;
- Take for themselves personally any business opportunities that belong to the Company or are discovered through the use of corporate property, information or position; or
- Use corporate property, information or position for personal gain

9. CONFIDENTIALITY

9.1. No Director/ SMP shall disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

9.2. The term "Confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers, if disclosed including any information relating to the Company's business and affairs that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Company's securities or any information a reasonable investor would consider important in making an investment decision.

9.3. The Company's confidential information shall not be inappropriately disclosed or used for the personal gain or advantage of anyone other than the Company. Directors/ SMPs should not disclose the Confidential Information to any employee of the Company or any third party except on a "need to know" or "need to use" basis and then only with a strong statement that the information is confidential.

9.4. If any Directors/ SMPs leaves the Company, his or her obligation to protect the Company's confidential information continues until the information becomes publicly available.

10. FAIR DEALING

10.1. Directors/ SMPs should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees.

10.2. No Director/ SMP shall take unfair advantage of anyone (including the Company) through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

10.3. Gifts or entertainment in any form that is likely to result in a feeling of expectation of personal obligation should not be extended or accepted.

11. INSIDER TRADING

Company has already framed a detailed Code of Conduct against Insider Trading, as stipulated by



SEBI regulations. The same shall be applicable to all the subjects. Subjects are expected to be well conversant with this code and are required to strictly adhere to this code.

12. PROTECTION AND PROPER USE OF COMPANY ASSETS

In carrying out their duties and responsibilities, Directors/ SMPs should endeavor to protect the Company's assets and proprietary information and ensure that the same are being used by the Company and its employees only for legitimate business purposes of the Company. Any suspected incident of fraud, mismanagement of Company assets or theft should be immediately reported for investigation to the Chairman of the Board or such other person as designated in this regard.

13. RECORD KEEPING; REPORTING

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Records and documents should always be retained or destroyed according to the prescribed statutory regulations. The Company shall provide full, fair, accurate, timely, and understandable disclosure in all reports and documents that it files with, or submits to, any governmental agency or securities exchange, and in other public communications made by the registrant.

14. NO RIGHTS CREATED

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

15. WAIVERS AND AMENDMENTS

Any amendment to this Code must be approved by the Board of Directors and publicly disclosed as required by any applicable law or regulation.

Any waiver of this Code for the benefit of any Director/KMP/SMP of the Company may be made only by the Company's Board of Directors and shall be disclosed promptly as required by applicable laws and regulations including the rules of any exchange on which the Company's securities are listed or traded.

16. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

16.1 Directors/ SMPs should endeavor to promote ethical behavior and to encourage employees to report evidence of illegal or unethical behavior to appropriate Company personnel. It is the policy of the Company to not allow retaliation against any employee who makes a good faith report about a possible violation of this Code.



16.2 Directors/ SMPs are requested to promptly contact the Chairman of the Board or the Chairman of the Audit Committee if it is believed that he or she has observed illegal or unethical behaviour by any employee, officer, or Director, or by anyone purporting to be acting on the Company's behalf and, the reporting person has any doubt about the best course of action in a particular situation.

17. HEALTH, SAFETY AND DRUG & ALCOHOL USE

Violence and threatening behavior are not permitted. All the persons being the part of the Company should report to work in a condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace is absolutely prohibited.

18. RESPONDING TO INQUIRIES FROM THE PRESS AND OTHERS

18.1. Any requests received by a Director/ SMP from media, press, financial community, SEBI or other regulators or the public seeking any sort of financial or business information, shall be forwarded by a Director/KMP/SMP to the Executive Vice Chairman & Managing Director and to the Group CEO & Managing Director for responding to the same.

18.2. Director/ SMP should refrain themselves from talking to any media, press, financial community or any other regulators, except where it is legally mandated to do so.

19. DISCRIMINATION AND HARASSMENT

The Company believes in providing equal opportunity to all the employees in every aspect of employment. Any discrimination, harassment or derogatory comments against any employee whether based on gender, region, community, caste, creed or religion will be seriously viewed and will be subject to disciplinary action and might entail termination of employment.

20. VIOLATIONS OF THE CODE

20.1. It is a part of Director's/ SMP's job and his/her ethical responsibility to help enforce this Code. Directors/ SMPs should be alert to possible violations and report this to the Chairman of the Board of Directors or to the Chairman of the Audit Committee of the Company.

20.2. Director/ SMP should cooperate in any internal or external investigations of possible violations.

20.3. Actual violations of laws, this Code or other Company policies or codes, should be promptly reported to the Executive Vice Chairman & Managing Director or the Group CEO & MD of the Company.

20.4. Those who violate this Code will be subject to disciplinary action, up to and including discharge from the duties/office held in the Company.



21. AMENDMENT, MODIFICATION AND WAIVER

- 22.1. Any amendment to this Code must be approved by the Board of Directors and publicly disclosed as required by any applicable law or regulation.
- 22.2. Any waiver of this Code for the benefit of Director of the Company may be made only by the Company's Board of Directors and shall be disclosed promptly as required by applicable laws and regulations including the rules of any exchange on which the Company's securities are listed or traded.
- 22.3. In case there are any subsequent modification(s) / amendment(s) / notification(s) / circular(s) to Listing Regulations or the Companies Act, 2013 and Rules made thereunder, it shall apply to this Policy automatically and this Policy shall stand amended automatically and in the event of any conflict between this Policy and the Applicable Law, the Applicable Law shall prevail
