



EROS INTERNATIONAL MEDIA LIMITED

CORPORATE GOVERNANCE POLICY

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CORPORATE GOVERNANCE POLICY

1. Preamble

The 21st century began with a series of corporate events across the world, which put the spotlight on corporate governance. In the current scenario, corporate governance involves a web of relationships between a company's management, its board, shareholders and other stakeholders. Eros International Media Limited has maintained high standards of corporate governance principles by committing itself to adopt best practices.

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency and accountability, in all facets of its operations and in all interactions with its various stakeholders.

The Board of Directors (the "Board") of Eros International Media Limited (the "Eros" or "Company") has adopted this Policy upon the recommendation of the Audit Committee and the said Policy includes process of Corporate Governance (the "Policy") in compliance with the regulatory requirements. Amendments to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee from time to time.

2. Policy Objectives

This Policy prescribes a set of systems, processes and principles conforming to corporate governance. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") prescribes minimum standard of Corporate Governance as required by the law to be complied with for all listed companies. Certain set of policy standards are important to ensure ongoing protection of interest of the investors and other stakeholders. Continuous evaluation of the Corporate Governance approach is necessary to ensure continuing relevance, effectiveness and responsiveness to investors and all other stakeholders. The overall objective of this policy is to ensure that concerned officers act in accordance with the highest standards of governance and are adequately sensitized about the need for and required obligations for Corporate Governance. Spirit of Transparency and fairness is at the heart of Corporate Governance. Spirit of Governance should be a guiding factor in arriving at the decisions and actions.

3. Applicability of Regulations

Sr. No.	Regulations	Section/Clause
1	Listing Regulation	Chapter I, II, III, IV read with Relevant Schedules
2	Companies Act 2013	Exhaustively Applicable

4. Definitions

4.1. "Act" means the Companies Act 2013 and the rules framed there under, including any modifications, amendments, clarifications, circulars or re-enactments thereof.



- 4.2. **“Audit Committee or Committee”** means the Committee of Board constituted from time to time under the provisions of Listing Regulation and Section 177 of the Act and as amended from time to time.
- 4.3. **“Board of Directors”** or **“Board”**, in relation to a Company, means the collective body of the directors of the company and as amended from time to time.
- 4.4. **“Company”** means Eros International Media Limited.
- 4.5. **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulation.
- 4.6. **“Resident Director”** is a director who has stayed in India for a total period of not less than 182 days in the previous calendar year.
- 4.7. **“Independent Director”** means a director of the Company, not being a whole-time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Act and Reg 16 (1)(b) of Listing Regulation.

5. Guiding Principles

Corporate Governance framework of effective accountability. Governance in spirit over Governance in law is the foundation for Corporate Governance

- Be transparent and maintain a high degree of disclosures levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws, as applicable to the Company, in all the countries of operations.
- Policy on Corporate Governance must ensure independence of the Board and to create a mechanism of checks and balances which ensures careful balancing of the interests of controlling shareholders vis-à-vis minority shareholders and other stakeholders of the Company.

6. Board of Directors

The Company believes that at the core of its corporate governance practice is the Board, which oversees how the management serves and protects the long-term interests of all the stakeholders of the Company.

An active, well informed and independent Board is sine qua non to ensure the highest standards of corporate governance.



6.1. Size and Structure of Board

The Board size and structure shall be established after considering the applicable law i.e. Act and Regulation 17 of the Listing Regulation. The Board will periodically review the appropriate size of the Board.

While determining the Board structure of the Board following points shall be taken care of:

- To maintain Board diversity and to comply with the Company's existing Board Diversity Policy.
- The Board shall possess core skills/ competencies/ expertise as required in the context of functioning of business of the Company, in which it operates.

6.2. Directors Compensation

The Nomination and Remuneration Committee of the Board determines and recommends to the Board the compensation payable to the directors, subject to final approval by the Board.

It should be taken care of that in case of disproportionate payments made to executive promoter/ non-executive directors as compared to other executive directors, then such issue shall be subject to greater shareholder scrutiny.

6.3. Independence at Board Level

6.3.1 Conflicts of Interest

The Board expects from all its directors, as well as officers and employees, to act ethically at all times and in accordance with applicable Company codes of ethics. If an actual or potential conflict of interest arises for a director, the director shall promptly inform the Chairman and the presiding director. If a significant conflict exists and cannot be resolved, the director should resign. The Board shall resolve any conflict of interest question involving the Chairman, or a Board member, and the Board or a designated committee thereof comprised of independent directors shall resolve any conflict of interest question involving any other officer of the Company.

6.3.2 No Board-Inter Lock

The Company while appointing/ review of appointment of Independent Director shall exclude "board inter-locks" arising due to common non-independent directors on boards of the Eros (i.e. a non-independent director of a company on the board of which an non-independent director of the Eros is an independent director, cannot be an independent director on the board of the listed entity). For instance, If Mr. A is an executive director on Eros and is also an independent director on Co. B, then no non-independent director of Co. B can be an independent director on the board of Eros.

6.3.3 Access to Senior Management

Non-employee directors shall have full and complete access to the KMP and Senior



Management of the Company and, if desired, without the Reporting Authority of such Senior Management Employee present.

6.3.4 Access to Independent Advisors

The Board and its Committees shall have the right at any time to retain independent outside financial, legal or other advisors at Company's expense.

7. Director Familiarization Program

The Company should conduct Familiarization Program with the aim to make the Independent Directors of Eros International Media Limited aware about their role, responsibilities and liabilities in the Company and to learn about the nature of the industry in which the company operates, business model of the Company, etc.

The Company shall through its Executive Directors/ Senior Management Personnel conduct programs/ presentations periodically to familiarize Independent Director about business strategies, management structure, HR Policy, risk management framework, operations of subsidiaries and associates, etc. In case, the Independent directors are interested in meeting any specific department or function or getting any further detail, the same shall also be arranged.

The Board of Directors shall have complete access to the information within the Company.

Familiarization Program is continuous program wherein the Company updates about any developments in the Company and various presentations made during the Board meetings as well.

8. Board Meetings and Materials

The Board shall meet atleast four times at quarterly intervals and /or more frequently, if deemed necessary to conduct its business. The gap between two meetings should not exceed 120 days. Quorum shall be as per the Act, the Listing Regulations, the Articles of Association of the Company, which at present is "one-third of its total strength or three directors, whichever is higher, including at least one independent director". All the Directors shall endeavor to attend the Meetings of the Board or Committees (in which they are member) held in a year and such attendance shall be one of the criterion for the Nomination and Remuneration Committee while recommending the name of such director for re-appointment/ continuation. However, the Company recognizes that it may not be possible for each Director to be physically present at every meeting. The Company may use video / teleconferencing facilities, wherever possible, to facilitate the participation of these directors in accordance with the Act and other applicable laws.

The requirements regarding Board meetings and materials prescribed by the applicable law i.e. Act, Secretarial Standards-1 issued by Institute of Company Secretaries of India and Listing Regulation, must be complied.



9. Information to be placed before the Board

The Management shall place all strategic and other information, including the minimum information prescribed under the Act and Rules made thereunder, the Listing Regulations, RBI guidelines and other applicable laws.

10. Performance Evaluation of Board and Committees

The performance evaluation of Board as a whole, its committees and individual members shall be conducted in accordance with the Board Evaluation Policy of the Company.

11. Code of Conduct

The Company has following code of conduct which is required to be adhered to by all the Directors and annual declaration has to be given by them regarding compliance with each code:

- Code of Conduct for Directors and Senior Management Personnel;
- Code of Conduct for Independent Directors as per Schedule IV of the Act
 - a. Code of Conduct for Prohibition of fraudulent and unfair trade practices
 - b. Code for Fair Disclosure of Unpublished Price Sensitive Information.
 - c. Each of the Directors is required to adhere and comply with the above codes and other policies as may be formulated by the Company from time to time.

12. Report on Corporate Governance

As per the requirement of Listing Regulation, there shall be a separate section on Corporate Governance in the Annual Report of the company, with a detailed compliance report on Corporate Governance. Internal Certification as well as External Audit Report on Corporate Governance Report is mandatory. Internal Certification is required by Compliance Officer or CEO. The Statutory Auditor Report on Corporate Governance should be certified by External Statutory Auditors or Company Secretary in Practice. It is important to clarify important pertinent aspects which may not be mandatorily required to be part of the report (such as Board Diversity etc.) in the Corporate Governance Report.

The suggested list of items to be included in this report is given in Schedule V(C) of the Listing Regulation.

13. Board Committees

The Standing Committees of the Board are the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee.

Each Committee shall report directly to the Board.



14. Board Policies/Codes

In order to establish and implement ethical culture, operational frameworks and best practices, the Company must develop, implement and monitor company-wide policies/codes.

15. Disclosure of Information

The Company shall ensure timely and accurate disclosure on all material matters including the financial situation, performance, ownership, and governance of the Company.

16. Reporting Non-Compliance with Governance Practice

In case of known or suspected non-compliance with respect to Charter, Policies/Codes, Internal and External Compliance, approved framework, methodology and over all Company's governance practice, an appropriate recourse to the existing whistle blower mechanism shall be taken. As per Listing Regulation, this mechanism shall provide for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

Existing Whistle Blower Policy must be communicated to the employees at large in order to promote effective Corporate Governance in the culture.

17. Policy Ownership

The policy awareness and adherence ownership will rest with the Company Secretary and Chief Financial Officer with oversight by Board.

18. Deviation of the Policy

The Executive Directors and Chief Financial Officer of the Company ('Designated Persons') are severally authorised to deviate from any clause and/ or process of the Policy. The Designated Persons shall ensure that such deviation should not be inconsistent with the law. A detailed report of such deviation, if any, shall be placed with the Board of Directors at next meeting.

19. Waiver / Interpretation /Amendments of the Policy on Corporate Governance

This Policy has been revised to incorporate the amendments in the Listing Regulations and shall be effective from May 23, 2019. In case there are any subsequent modification(s) / amendment(s) / notification(s) / circular(s) to Listing Regulations or the Act 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.
