

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR(S)

The members of Jain studios Ltd. have approved the appointment of two Independent Directors at the Annual General Meeting held on 30th September 2014 on the following terms and conditions:

I. Appointment

- a. The appointment of Independent Directors of the Company is in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement (as amended from time to time), Articles of Association of the Company (AOA) and any other applicable provisions.
- b. The appointment is in compliance with the provisions of the Companies Act, 2013 and Directorship is not subject to retirement by rotation.
- c. Notwithstanding with other provisions of this appointment, the appointment of independent Director(s) may be terminated on failure to meet the parameters of Independence as defined in Section 149(6) or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.
- d. Upon termination or upon resignation for any reason, duly intimated to the Company, the Independent Director will not be entitled to any compensation for loss of office.

II. Committees

The Board of Directors (the Board) may, if it deems fit, invite the Independent Director(s) for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Appointment of Independent Director on such Committee(s) will be subject to the applicable regulations.

III. Role, duties and responsibilities

The role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive which are fiduciary in nature and are as under:

- a. They shall act in accordance with the Company's Articles of Association.
- b. They 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 interest of the Company.
- c. They shall discharge their duties with due and reasonable care, skill and diligence.
- d. They shall not involve themselves in a situation in which they may have direct or indirect interest that conflicts or possibly may conflict with the interest of the Company.
- e. They shall not achieve or attempt to achieve any undue gain or advantage either to them self or to their relatives, partners or associates.
- f. They shall not assign their office as Director and any other assignments so made shall be void.

- IV.** In addition to the above requirements applicable to all Directors, the role of the Non-Executive Director has the following **key elements**:

Strategy: Non-Executive Directors should constructively challenge and help to develop proposals on strategy;

Performance: Non-Executive Directors should scrutinize the performance of Management in meeting agreed goals and objectives;

Risk: Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive directors and have prime role in appointing and where necessary, removing Executive Directors and in succession planning;

Reporting: Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of the Company;

Compliance: Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of the Company practices to accepted norms.

V. Code of Conduct: Independent Director(s) is/are agree to comply with regulations as contained in schedule IV of the companies Act, 2013 including the following codes of conduct of the Company:

- a. Code of Conduct for Board of Directors and Senior Management;
- b. Code of Internal Procedure and Code for Prevention of Insider Trading in Securities; and Such other requirements as the Board of Directors may from time to time specify.

VI. Time Commitment: Considering the nature of role of a Director, it is difficult for a Company to lay down specific parameters on time commitment but it is expected that, Independent Director(s) is/are agree to devote such time as is prudent and necessary for the proper performance of role, duties and responsibilities as an Independent Director.

VII. Status of Appointment:

- a. Independent Director will not be an employee of the Company and Letter of appointment shall not constitute a contract of employment. Independent Director will be paid sitting fees for meetings of the Board and its Committees as may be decided by the Board and with the approval of the shareholders of the Company as and when necessary from time to time.
- b. The sitting fees presently paid to the Non-Executive Independent Director is Rs. 4,000/- per meeting of the Board, Audit Committee and for other Committee.
- c. In addition to the sitting fees mentioned-above, the Company will for the period of appointment, reimburse all travel, hotel and other incidental expenses incurred by Independent Director in the performance of role and duties.

VIII. Independent Professional Advice

There may be occasions when it considers that Independent Director needs professional advice in furtherance of duties as a director and it will be appropriate to consult independent advisers at the Company's expense. The company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

IX. Conflict of Interest

- a. It is accepted and acknowledged that Independent Director may have business interests other than those of the Company. As a condition to the appointment, Independent Director(s) is/are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment.

- b. In the event of circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment regarding independence of Director, this should be disclosed by the Independent Director(s) to both the Chairman and the Company Secretary.

X. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record the interest of Independent Director appropriately and records of the Company are updated. A general notice that Independent Director (s) is/are interested in any contracts with a particular person, firm or Company is acceptable.

XI. Confidentiality

- a. All information acquired during appointment of Independent Director is confidential to the Company and should not be released, either during the period of appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body.
- b. Attention is also drawn to the requirements under the applicable regulations and the company's Insider Trading code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently Independent Director should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

XII. Publication of the Terms and Conditions of Appointment of Independent Director.

In line with the provisions of Schedule IV under the Companies Act, 2013, Company will make public the terms and conditions of the appointment of Independent Director(s) and will also arrange for it to display on the Company's website.

XIII. Termination

1. The directorship of Independent Director on the Board of the Company shall terminate or cease in accordance with law.
2. Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which notice is received by the Company or date, if specified by Independent Director in the Notice whichever is later. In terms of the Provisions of the Companies Act, 2013, Independent Director (s) is/are requested to file a copy of resignation letter to the Registrar of Companies (ROC).

XIV. Governing Law

Any non-contractual obligations arising out of or in connection with this appointment of Independent Director(s) are governed by and shall be construed in accordance with the laws of India and the exclusive jurisdiction is Court of New Delhi.