

Date: November 20, 2017

Mr. S. Madhavan
D-1063, New Friends Colony,
New Delhi – 110 025

DIN: 06451889

Subject: Re-Appointment as a Non - Executive Independent Director of UFO Moviez India Limited ("Company")

Dear Sir,

We are very pleased to inform you that the Company, on recommendation of the Board of Directors of the Company ("**Board**") and approval by its shareholder, has re-appointed you as a non-executive independent director ("**NE-ID**") of the Company for a second term of five years.

This letter of appointment ("**Letter**") sets out the terms and conditions governing your re-appointment as an NE-ID of the Company, which are as follows:

Appointment

- (1) The appointment shall be in terms of the Companies Act, 2013, and rules issued thereunder, as amended and in force at the relevant time ("**Act**") and the equity listing agreement entered into by the Company with each of the applicable stock exchanges to comply with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and in force at the relevant time ("**Listing Regulations**") with effect from November 20, 2017.
- (2) Subject to the detailed terms of this letter, as an NE-ID you will hold office for a second term of consecutive period of 5 (five) years i.e. with effect from November 20, 2017 to November 19, 2022.
- (3) Your appointment as a NE-ID on the Board is subject to the provisions of the Articles of Association of the Company ("**Articles**"), the Act and the Listing Regulations.
- (4) In compliance with provisions of Section 149(13) of the Act, your directorship is not subject to retirement by rotation.
- (5) Notwithstanding other provisions of this Letter, the appointment may be terminated in accordance with the provisions of the Articles or on failure to meet the independence parameters as defined in Section 149(6) of the Act or on the occurrence of any event as defined in Sections 167, 168 and 169 of the Act.

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- (6) Upon your resignation or termination for any reason, you will not be entitled to any compensation for loss of office.
- (7) By accepting this appointment, you confirm and undertake that as of the date of this Letter,
 - (i) there are no agreements, arrangements, whether documented or otherwise, relating to your appointment as a director in any other company, or otherwise that would affect or limit this appointment, the performance of duties set out herein, and/or the devotion of time as required by this appointment; and
 - (ii) you will comply with all the terms and conditions of your appointment as set out in this Letter and you are not subject to any obligations or commitments which are inconsistent with the provisions of this Letter or which could be potentially inconsistent with the provisions of this Letter.
- (8) By accepting this appointment, you further confirm and undertake that of the date of this Letter, you are in compliance, and throughout the term of your appointment with the Company, you shall be in compliance, with the number of directorships as prescribed by the Act and the Listing Regulations.

Committees

- (9) Your existing position in the committees of the Board of Directors of the Company will remain unchanged as on the date of your appointment. Going forward, the Board may, as it deems fit, modify composition of any of the existing committees as well as may appoint you on more committees of the Board, existing or to be set up in future, either as a member or a chairperson. In addition to the terms and conditions as contained in this Letter, the details of such appointment on committee(s), including the relevant committee's terms of reference and any of your specific responsibilities, will be conveyed to you at the time of appointment on such committee(s).

Status of Appointment

- (10) By virtue of your appointment as an NE-ID, you are not an employee of the Company and this Letter does not constitute a contract of employment. This Letter does not also constitute a services contract, a contract for services or a contract of service.

Time Commitment

- (11) As an NE-ID, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

- (12) You are expected to attend meetings of the Board and meetings of the committee(s) to which you are appointed / you may be appointed in future, as and when these meetings are convened as well as the annual general meeting of the Company during your tenure and to devote approximately 10 (ten) days every year of your appointment in relation to the same as well as such time to your duties as appropriate for you to discharge your duties effectively.
- (13) In addition to the above, you are expected to attend at least 1 (one) meeting a year, along with all the other independent directors of the Company, without the attendance of non-independent directors and members of management of the Company.
- (14) By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations arising out of your role to the satisfaction of the Board.

Role and Duties

- (15) Your role and duties will be those as stated in the Schedule IV of the Act and as per the provisions of the Articles.
- (16) In addition, and without prejudice to the generality of the above, your duties will include:
 - (a) acting in accordance with the strict terms of your mandate;
 - (b) exercising care and skill in carrying out functions;
 - (c) acting loyally in advancing the interest of the Company;
 - (d) exercising powers in the best interests of the Company and not for extraneous purposes;
 - (e) to opine whether a transaction is in the interests of the Company;
 - (f) not placing yourself in a position in which your personal interests or duties to other persons are liable to conflict with your duties to the Company, except with the informed consent of the Company;
 - (g) not entering into engagements in which you have or may have a personal interest conflicting or which possibly may conflict with the interests of the Company;
 - (h) take informed consent of the Company for the use of the Company's assets, opportunities or information for your own benefit;
 - (i) not being associated with a rival company for as long as you remain a director of the Company;
 - (j) no exercise of powers that are not conferred by the Articles of the Company or applicable law, or for an improper purpose, and use of such power only for the purpose for which it was conferred;
 - (k) not entering into any contract with any person as to how to vote at Board or committee meetings or otherwise conduct yourself in relation to the Company;
 - (l) not undertaking any obligation by compromising any fiduciary status.

- (17) Additionally, the liabilities that accompany such appointment include liability only in respect of acts of commission or omission, committed or omitted to be committed by the Company, as the case may be, which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.
- (18) While functioning as an NE-ID of the Company, you are also required to ensure that the following actions are not undertaken, or permitted to be undertaken, by you:
- (a) unfair obstruction of the functioning of an otherwise proper Board or committee of the Board;
 - (b) disclosure of 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; and
 - (c) any activity or business that is identical or similar to, or that directly or indirectly competes (or is likely to compete) with, the business of the Company, as more particularly set out in paragraph (27) below.

Code of Conduct

- (19) During the term of your appointment as an NE-ID of the Company, you are required to comply with the regulations and provisions contained in the Act, including Schedule IV to the Act and the Listing Regulations, as well as the code of conduct / codes and policies of the Company as in force from time to time.

Remuneration

- (20) You will be paid remuneration by way of (a) sitting fees for attending and participating in meetings of the Board and its committees; and (ii) profit related commission, subject to the provisions of Section 197 read with Schedule V to the Act, without the need for approval by the Central Government.
- (21) You will be paid a sitting fee of INR 1,00,000 (Rupees One Lakh only) per meeting for attending meetings of the Board and INR 50,000 (Rupees Fifty Thousand only) per meeting for attending meetings of a committee thereof.
- (22) You will also be entitled to profit related commission payable on an annual basis, such that the total annual remuneration payable by the Company to you, including the sitting fees mentioned above would not exceed INR 25,00,000 (Rupees Twenty Five Lakh only), subject to such remuneration payable being within the limits as prescribed by the provisions of Section 197 read with Schedule V to the Act, without the need for approval by the Central Government.

- (23) In addition to the remuneration described above, you are entitled to be reimbursed by the Company in relation to expenses incurred by you for participation in meetings of the Company.
- (24) You will have no entitlement to any bonus during this appointment and no entitlement to participate in any employee stock option or other scheme operated by the Company and no stock options shall be issued, granted or allocated to you.
- (25) All payments made by the Company to you shall be subject to the deduction of tax at source for which suitable form evidencing deduction of tax shall be provided by Company in due course. Any taxes due on these payments shall be borne by you.

Insurance

- (26) The Company has directors' and officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of your appointment.

Conflict of Interest

- (27) During the term of your appointment as an NE-ID of the Company, you agree and undertake that you shall not carry on or be engaged, directly or indirectly, either on your own behalf or on behalf of any person, or as manager, agent, consultant or employee of any person, firm or company, in any activity or business, in India or overseas that is identical or similar to, or that directly or indirectly competes (or, to the best of your knowledge, is likely to compete) with, the business of the Company.

For the purpose of this paragraph (27), a person is concerned in a business if he directly or indirectly carries it on as principal or agent or if:

- (a) he is a partner, director, employee, secondee, consultant or agent in, of or to any person who carries on the business; or
 - (b) he has any direct or indirect financial or strategic interest (as shareholder or otherwise) in any person who carries on the business; or
 - (c) he is a partner, director, employee, secondee, consultant, subcontractor or agent in, of or to any person who has a direct or indirect financial interest (as shareholder or otherwise) in any person who carries on the business.
- (28) Subject to the above, as the Company recognizes that you may have business interests other than those of the Company, you are required to, as a condition precedent to your appointment, declare to the Board in writing any such directorships, appointments and interests at the time of your appointment.

In the event that there is a change or a probable change in the circumstances which might give rise to a conflict of interest or, when applicable, which might lead the Board to revise its judgment on your independence, the same should be disclosed in writing immediately to the Board.

- (29) Additionally, any interest that you may have, directly or indirectly, in any transaction or arrangement that the Company has entered into should be disclosed when the transaction or arrangement comes up at a Board meeting such that minutes may record your interest appropriately and the records of the Company are updated. A general notice that you are interested in any contract with a particular person, firm or company, too, is acceptable.

Confidentiality

- (30) All information, including (i) information concerning the organisation, business, intellectual property, technology, patents, copyrights, trade secrets, know-how, or other intellectual property, finance, transactions or affairs of the Company (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the date of this Letter); and (ii) any information or materials that contains or otherwise reflects, or is generated from, information contained in paragraph (30)(i) above, ("**Confidential Information**") acquired by you is confidential to the Company and should not be, directly or indirectly, released, used, disclosed, published, or permit others so to do, either during your appointment or following termination (by whatever means) to any third party without prior clearance from the Board unless required by law or regulatory body.
- (31) By accepting this Letter, you confirm that all Confidential Information is and must remain the exclusive property of the Company and shall be solely and absolutely vested in and owned by the Company and you shall not have or claim any right, title or interest therein, and in the event that you are considered the owner of any Confidential Information or property of the Company you will take all steps necessary to transfer or assign the same to the Company in perpetuity and on a royalty paid, worldwide basis. Any office equipment (including computers and other storage devices) received from the Company in the course of your appointment with the Company and all business records, business papers, and business documents kept or made, whether on digital media or otherwise, in the course of your appointment by the Company relating to the Company must be and remain the property of the Company.

Publication of this Letter

- (32) In line with provision of Schedule IV to the Act, the Company will make public the terms and conditions of your appointment as contained in this Letter and will also arrange for the same to be displayed on the website of the Company.

Termination

- (33) You may resign from your position as an NE-ID of the Company at any time and should you wish to do so, you are requested to serve at least 30 (thirty) days' prior written notice on the Company. In terms of provisions of the Act, you are required to file a copy of your resignation letter with the concerned Registrar of Companies.
- (34) Your appointment may also be terminated in accordance with the provisions of the Articles, the Act and the Listing Regulations.

Evaluation

- (35) The Board (including a relevant committee thereof) will carry out an evaluation of the performance of the Board as a whole, committees of the Board and directors on an annual basis as per the policies of the Company in force from time to time.

Governing Law and Jurisdiction

- (36) This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the laws of India, and you agree to submit to the exclusive jurisdiction of the courts of Mumbai.

Please confirm your agreement to the terms and conditions as contained in this Letter by signing and returning a duplicate of this Letter to the undersigned.

Yours sincerely,

For UFO Moviez India Limited



Sanjay Gaikwad
Managing Director
DIN: 01001173

I, S. Madhavan, have read, understood and agree to abide by the terms set out in this Letter.



S. Madhavan
DIN: 06451889

Date: 20/11/2017