

CODE OF ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

This Code of Ethics for Directors and Senior Management (“**Code**”) helps maintain the standards of business conduct for Cinemax India Limited (“**Company**”). The purpose of this Code is to deter wrongdoing and promote ethical conduct. Ethical business conduct is critical to our business. Accordingly, the following officers (hereinafter collectively referred to as “**Officers**”) are expected to read and understand this Code, uphold these standards in day-to-day activities, comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company:

- All Directors of the Company
- “Senior management” of the Company i.e. all members of management one level below the executive directors, including all general managers and functional heads.
- All professionals, serving in the roles of finance, tax, accounting, purchase, treasury, internal audit, financial analyst and investor relations. Further, this includes all disclosure committee members, all members of the senior management, the members of the audit committee, and members of the board of Cinemax India Limited and its subsidiaries.

1. Honest and Ethical Conduct

All Officers are expected to act in accordance with the highest standards of personal and professional integrity and maintain honest and ethical conduct while working on the Company’s premises at offsite locations where the Company’s business is being conducted, at Company sponsored business and social events, or any other place where the Officers are representing the Company.

2. Conflict of Interest

Each of us has a responsibility to the Company, our stockholders and each other. Although this duty does not prevent us from engaging in personal transactions and investments, it does demand that we avoid situations where a conflict of interest might occur or appear to occur. The Company may be subject to scrutiny from various authorities and agencies. We should always strive to avoid even the appearance of impropriety. All Officers must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier, customer, developer or subordinate employee or peers of the company, which impairs an employee’s ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Superior-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

An Officer involved in any of the types of relationships or situations described in this Code should immediately and fully disclose the relevant circumstances to his or her immediate reporting authority, if any, or any other appropriate superior, or the Managing Director, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

(i) *Employment/ Outside Employment*

In consideration of your employment with the Company, you are expected to devote your full attention to the business interests of the Company. You are prohibited from engaging in any activity that interferes with your performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit any employee from accepting simultaneous employment with a Company supplier, customer, developer or competitor, or any other company with which the company is in discussions or negotiations or from taking part in any activity that enhances or supports a competitor's position.

Additionally, you must disclose to the Company any interest that you have that may conflict with the business of the Company. If you have any questions on this requirement, please contact the Human Resources Department.

(ii) *Outside Directorships*

It is a conflict of interest to serve as a director of any company that competes with the Company. Directors are required to disclose their directorships in other companies to the Board of Directors and the Company Secretary from time to time.

(iii) *Business Interests*

If you are considering investing in any customer, supplier, developer or competitor of the Company, you must first take great care to ensure that these investments do not compromise your responsibilities to the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company. Directors making investments in a personal capacity may do so up to the maximum of 2% of the equity share capital of the investee company in a single financial year.

(iv) *Related Parties*

As a general rule, you should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws. Officers and Directors of the Company shall disclose any related party transactions to the Board from time to time. Related party transactions of Officer in any financial year must be reviewed and approved in writing in advance by the Company's Board of Directors. The Company must report all such material related party transactions under applicable accounting rules, SEBI, Indian Companies Act, and securities market rules. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to his business.

The Company discourages the employment of relatives in positions or assignments within the same department and prohibits the employment of such individuals in positions that have a financial or other dependence or influence (e.g., an auditing or control relationship, or a supervisor/subordinate relationship). The purpose of this policy is to prevent the organizational impairment and conflicts that are a likely outcome of the employment of relatives or significant others, especially in a supervisor/subordinate relationship. If a question arises about whether a relationship is covered by this policy,

the Human Resources Department is responsible for determining whether an Officer's acknowledged relationship is covered by this policy and the decision. The Human Resources Department shall advise all affected Officers of this policy. Willful withholding of information regarding a prohibited relationship/reporting arrangement will be subject to corrective action, upto and including termination. If a prohibited relationship exists or develops between two Officers, the Officer in the senior position must bring this to the attention of his/her supervisor/Managing Director.

The Company retains the prerogative to separate the individuals at the earliest possible time, either by reassignment or by termination, if necessary.

(v) Other Situations

Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts in your mind you should consult the Legal Department or Human Resources Department. Directors may consult the Chairman of the Board of Directors in case of any such instances. The Chairman may refer the same to the Legal Department or Human Resources Department for clarification.

3. Corporate Opportunities

Officers may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board and the Board declines to pursue such opportunity.

4. Insider Trading

Obligations under Indian securities laws apply to everyone as the Company is listed on the Indian stock exchanges. In the normal course of business, Officers of the Company may come into possession of significant, sensitive information. This information is the property of the Company. You have been entrusted with it. You may not profit from it by buying or selling securities yourself. Further you are not to tip others to enable them to profit or for them to profit on your behalf. The purpose of this Code is both to inform you of your legal responsibilities and to make clear to you that the misuse of sensitive information is contrary to Company policy and applicable Indian securities laws. Any delivery based transaction/s which does not exceed more than 1000 shares is out of purview of this paragraph, however, such transaction/s are to be immediately reported to the Legal & Secretarial Department and Legal & Secretarial Department has to put before the next Audit Committee Meeting.

As per the provisions of SEBI (Insider Trading Regulation) it is prohibited to deal in shares / securities of the company during the **period trading window** is closed by the company. Our Secretarial department will announce from time to time about opening and closing of trading window and all concerned to whom this code applicable are required to abstain from trading of shares and securities of the company during the closure of trading window.

Insider trading is a crime, penalized by fines and imprisonment for individuals. In addition, the Securities and Exchange Board of India may seek the imposition of a civil penalty of up to three times the profits made or losses avoided from the trading. Insider traders must also disgorge any profits made, and are often subjected to an injunction against future violations. Finally, insider traders may be subjected to civil liability in private lawsuits. Insider trading rules are strictly enforced, even in instances when the

financial transactions seem small. You should read the Insider Trading Rules of the SEBI carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/or disciplinary action for insider trading violations. You should comply with the Insider Trading Rules, and abstain from entering into any transaction during closure of trading windows, and follow the pre-clearance procedures for trading and trade only during a trading window. Officers of the Company who violate this Policy will also be subject to disciplinary action by the Company, which may include termination of employment or of business relationship. All questions regarding the Company's Insider Trading Rules should be directed to the Secretarial Department.

5. Prohibition Against Short Selling of Company Stock

No Officer may, directly or indirectly, sell any equity security, including derivatives, of the Company if he or she

- (a) does not own the security sold, or
- (b) owns the security, does not deliver it against such sale (a "short sale ") within the applicable settlement cycle.

6. Compliance with Governmental Laws, Rules and Regulations

Officers must comply with all applicable governmental laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties and sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. Violations of applicable government laws, rules and regulations may subject Officers to individual criminal or civil liability as well as to disciplinary action by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of reputation or business.

7. Violations of the Code

Part of the job of an Officer is to help enforce this Code. Officers must report all possible violations of this Code to the Human Resources department or the Secretarial department. Officers must cooperate in case of any internal or external investigation of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation is prohibited. Disciplinary action by the Company may include termination of employment or of business relationship at the sole discretion of the Company. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated the Company will cooperate fully with the appropriate authorities.

8. Waivers and Amendments of the code

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of amendment or waiver.

9. Annual Compliance Reporting

It terms of Clause 49 of the Listing Agreement, all Board Members and Key Managerial Employees shall affirm compliance of this Code within 30 days of close of every financial year in the Performa enclosed as Annexure - 1 to this Code. The Annual Compliance Report shall be forwarded to the Company Secretary.

10. Acknowledgement of receipt of code of ethics for Directors and Senior Management

I have received and read the Company's Code of Ethics for Directors and Senior anagement (the "Code"). I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the code. If I have question concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult Secretarial Dept, and that my questions or report to these source will be maintained in confidence.

(Please sign and return form as per Annexure 2 to the Legal & Secretarial Department)

Note: The Code was adopted by the Board of Directors at its meeting held on March 24, 2007.

Annexure – 1

CODE OF ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

Annual Compliance Report*

To,
The Company Secretary,
Cinemax India Limited,
Mumbai

I _____ do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the Code of Ethics for Directors and Senior Management during the financial year ending 31st March 2007.

Signature : _____

Name : _____

Designation : _____

Date : _____

Place : _____

* To be submitted by 30th April each year.

Annexure – 2

CODE OF ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

Acknowledgement Form

To,
The Company Secretary,
Cinemax India Limited,
Mumbai

I _____ have received and read the Company's Code of Ethics for Directors and Senior Management ("This Code"). I have understood the provisions and policies contained in this Code and I agree to abide by this code in letter and spirit.

Signature : _____

Name : _____

Designation : _____

Place : _____