

## **MEDIA MATRIX WORLDWIDE LIMITED**

### **Terms and conditions of appointment of Independent Directors**

#### **Appointment**

The Company may engage Independent Directors as per the provisions of Companies Act, 2013 read with Listing Agreement.

An Independent Director shall not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

#### **Professional Conduct:**

An Independent Director shall:

- i) uphold ethical standards of integrity and probity;
- ii) act objectively and constructively while exercising duties;
- iii) exercise responsibilities in a bonafide manner in the interest of the Company;
- iv) devote sufficient time and attention to professional obligations for informed and balanced decision making;
- v) not allow any extraneous considerations that may vitiate his/her exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making;
- vi) not abuse his/her position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii) refrain from any action that could lead to a loss of his/her independence;
- viii) ensure that if circumstances arise under which he/she may lose independence, he/she will immediately inform the Board accordingly;
- ix) assist the Company in implementing the best corporate governance practices.

## **Functions, Responsibilities and duties of Independent Directors:**

### **Functions**

- i) to review the Company's strategy, the annual financial plan and monitor the Company's performance;
- ii) to review management performance and compensation;
- iii) to advice and counsel the Management;
- iv) to monitor and manage potential conflicts of interest of the Management;
- v) to oversee and ensure the integrity of financial information and legal compliance

### **Responsibilities**

Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs. The broad responsibilities of Independent directors may be summarised as under:

- i) independent directors to constructively contribute to the development of the Company strategy;
- ii) independent directors to oversee the performance of the Management in meeting agreed goals and objectives;
- iii) independent directors to evaluate and ensure that financial information is accurate, and that financial controls and systems of risk management are robust and defensible;
- iv) independent directors responsible for determining the appropriate levels of remuneration of executive directors and the process of succession planning. They also have a prime role in appointing and where necessary, removing senior management;
- v) independent directors to balance the conflicting interest of the stakeholders, including minority shareholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company as a whole.

### **Duties:**

An Independent Director shall:

- i) undertake the appropriate induction into the board and regularly update and refresh his/her skills, knowledge and familiarity with the Company;
- ii) seek appropriate clarification and where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;

- iii) strive to attend every meeting of the Board and of the Committee of Directors of which he/she is a member;
- iv) actively and constructively participate in the board/committee meetings;
- v) strive to attend general meetings of the Company;
- vi) ensure that any concerns that he/she may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- vii) keep himself/herself well informed about the Company and the external environment in which it operates;
- viii) not unfairly obstruct the functioning of an otherwise proper Board or Committee meetings;
- ix) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- x) ensure that the whistleblower function of the Company is functioning properly;
- xi) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conducts and Ethics;
- xii) within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xiii) not disclose any confidential information unless such disclosures is expressly approved by the Board or required by law.

### **Performance evaluation of Independent Directors**

The Nomination and Remuneration Committee shall lay down the evaluation criteria for performance evaluation of independent directors. The performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated.

### **Separate meetings of the Independent Directors**

The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. All the independent directors of the Company shall strive to be present at such meeting. The independent directors in the meeting shall, inter-alia:

- i) review the performance of non-independent directors and the Board as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of executives directors and non-executive directors;

- iii) assesses the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Training of Independent Directors**

Every new independent director, will attend the orientation programme. Presentations will be made by the executive directors/senior managerial personnel which will cover an overview, strategy, operations and functions of the Company. The orientation programme will provide an opportunity to interact with the senior leadership of the Company and help the independent director to understand the Company's strategy, operations, services, product offerings, organisation structure etc.

### **Fees**

Presently non-executive/independent directors are paid sitting fees of Rs.5000/- for attending each Board/Committee meetings. The non-executive/independent directors are also entitled to take the re-imbusement of expenditure that may be incurred by them in travelling to the place of the board meeting and other committee meetings of the Company and back to their normal place of residence. Out of pocket expenses like conveyance, food, and incidentals that are incurred during the days of the Board and Committee meetings shall also be reimbursed.

### **Memberships of other boards**

It is expected that Independent Director will not serve on the boards of competing companies.

### **Dealing in shares and Code of Conduct**

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. They are required to comply with the applicable insider trading laws and regulations. They are also required to comply with the Company's Code of Conduct and Ethics for the members of the Board of Directors.

### **Disclosures, Other directorships and business interests**

During the Term, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary. During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.

### **Changes of personal details**

During the Term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

## **Disengagement**

They 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 the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term subject to compliance of relevant provisions of the 2013 Act upon:

- Violation of any provision of the Code of Conduct as applicable to NEDs,
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act.