

ANSHU HOSPITALS LIMITED
(Policy on Appointment of Independent Directors)

1. Preamble

- This Policy on Appointment of independent Directors (the "Policy") applies to the Board of Directors (the "Board") of Anshu Hospitals Limited ("AHL" or the "Company"). This Policy was recommended by the Nomination and Remuneration Committee of the Company ("NRC") and approved by the Board.
- In terms of Schedule IV; Code of Independent Directors, The primary objective of the Policy is to provide a framework and set standards for the appointment of talented and self-motivated Independent Directors who should have the capacity and ability to lead AHL towards achieving its stated goals and strategic objectives, taking into account the interest of all stakeholders

2. Definitions

- For the purposes of this Policy: Independent Directors Means in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or Directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or Directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

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(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);]

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

3. Criteria for Appointment of Independent Director

- Matching the requirements of AHL and enhancing the competencies of the Board are the basis for the NRC to shortlist and recommend a candidate for appointment to the Board as Independent Director.
- The criteria to be considered when assessing prospective candidates for appointment as Directors shall include the following;
 - a) highest levels of personal and professional ethics and integrity;
 - b) high quality attributes such as discipline, objectiveness, sensitivity and creativity;
 - c) sharing and demonstrating the values of AHL;
 - d) experience in accounting and finance, secretarial, administration, corporate, engineering and strategic planning or fund management.
 - e) continuous professional development to update knowledge and skills.
- In addition to such requirements as may be specified under this Policy and the provisions of the Articles of Association of the Company, the Independent Directors shall also fulfill the applicable requirements prescribed under Section 149 of the Companies Act, 2013, and the rules and regulations made there under and other applicable laws as modified or amended or supplemented, from time to time.

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- Each Independent Director shall be required to duly submit/ make the stipulated declarations required to be furnished pursuant to the provisions of the Companies Act, 2013, and the rules and regulations made thereunder and other applicable laws and the Articles of Association of the Company.
- No person shall be considered for appointment/ reappointment as Independent Director of AHL, if he is disqualified to be appointed/ re-appointed as such in terms of the provisions of Section 164 of the Companies Act, 2013, or under any other applicable law.

4. Selection Process

- The selection procedure to be followed for the appointment of persons for the Board is as below.
 - a) NRC in consultation with the Managing Director of AHL shall determine the selection criteria applicable.
 - b) the NRC shall finalize a list of potential candidate(s) who meets the Director Selection Criteria and shall submit such list to the Chairman of the Board along with its recommendations.
 - c) The Chairman of the Board shall thereafter meet the shortlisted candidate(s) to assess their capability. In the event that the Chairman may feel that no shortlisted candidate is suitable for appointment to the Board, the Chairman may require the NRC to submit a fresh list of candidates.
 - d) The candidate selected by the Chairman, shall be appointed in accordance with the relevant provisions of the Companies Act, 2013, rules made thereunder, subject to the approval of the Board and/ or shareholders of AHL at a General Meeting.

4. Appointment Procedure

- An Independent Director shall hold the office for a maximum term of upto five consecutive years on the Board of the Company and will be eligible for reappointment on passing a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold the office for more than two consecutive terms, but Such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the Company in other capacity, either directly or indirectly.

5. Letters of Appointment

- AHL shall issue a formal letter of appointment to the person appointed as a Director of company. The letter of appointment to be issued to the Independent Directors shall inter alia set out the matters as stated in Schedule IV of the Companies Act, 2013.

6. Policy review

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- This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made thereunder the Memorandum and Articles of Association of the Company or as may be otherwise prescribed by the Board from time to time.
- The NRC may issue/ implement such guidelines, procedures, formats and/ or reporting mechanisms to enforce this Policy as it may deem fit.

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SARVODAYA HEALTH CLINIC

- GK Enclave 1, New Delhi
- Sector - 87, Greater Faridabad
- Krishna Nagar, Mathura

SARVODAYA IMAGING CENTRE

- Charak Palika Hospital, Moti Bagh, New Delhi
- NRCH Connaught Place, New Delhi

SARVODAYA DIALYSIS CENTRE

Faridabad | Rewari | Palwal | Hisar

