

9<sup>th</sup> May, 2018

Mr.Kamalesh Chandra Choudhury  
House.No.23, 5<sup>th</sup> Bye Lane South  
Ambikagiri Nagar  
Zoo Road  
Guwahati - 781024

Dear Mr. K C Choudhury

Sub : Appointment as an Independent Director of the Company  
(Pursuant to Schedule IV of the Companies Act, 2013)

I am pleased to inform you that the Board has appointed you as an Independent Director of the company w.e.f 9<sup>th</sup> May 2018. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

**TERMS OF APPOINTMENT:**

1. In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as an Independent Director on the Board of the Company up to 5 years from the date of appointment.
2. Your appointment is subject to approval of shareholders.
3. In compliance with provisions of section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.
4. Notwithstanding other provisions of this letter, the appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or 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.

**EXPECTATIONS OF THE BOARD:**

5. You will be expected to perform your duties, whether statutory or fiduciary faithfully, efficiently and diligently to a standard commensurate with both the functions of your role as an Independent Director and knowledge, skill and experience.

6. You are expected to acquaint yourself with the Company's operations and businesses and update yourself regularly.
7. As an Independent Director you are expected to abide by the Code for Independent Director under Schedule IV to the Companies Act, 2013. The extract of the Code is enclosed herewith as Annexure-A.
8. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

**BOARD COMMITTEES:**

9. As advised by the Board, during the tenure of office, you may be required to serve on one or more Committees of the Board. Upon your appointment to any of the committees, you will be provided with the appropriate Committee Charter which sets out the functions of that Committee.

**DUTIES AND LIABILITIES:**

10. Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non- Executive, which are fiduciary in nature and are as under:
  - I. You shall act in accordance with the Company's Articles of Association as may be amended from time to time.
  - II. You 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.
  - III. You shall discharge your duties with due and reasonable care, skill and diligence.
  - IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
  - V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
  - VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements the Board of Directors also expect you to perform the following functions:

- I. You should constructively challenge and help develop proposals on strategy for growth of the Company.
- II. You should evaluate the performance of management in meeting agreed goals and objectives.
- III. You should satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- IV. You are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning.

- V. You will take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
  - VI. You should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.
11. Though the Board as a whole is collectively responsible for promoting the success of the company by directing and supervising its affairs in a responsible and effective manner, in your capacity as an Independent Director you will be held liable in respect of such acts of omission or commission which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.
  12. Any breach of duties specified or expected of you as an Independent Director may expose you to penal consequences as specified under the Companies Act, 2013 or any other applicable law in force.

**CODE OF BUSINESS ETHICS:**

13. The Company has laid down a Code of Conduct for Directors and Employees which is aligned with requirements listed out under Schedule IV of the Act and given under Annexure A to this letter. You will have to abide by the Code of Conduct and affirm compliance with the ethical standards.

**TIME COMMITMENT:**

14. You will be expected to devote such time as is necessary for the proper performance of your duties.
15. AS an Independent Director you shall endeavour to have at least one meeting in a financial year with other Independent Directors without the attendance of other non-independent directors and members of management to review the performance of the non-independent and Board as a whole, including the performance of the chairman of the Board.
16. You will also from time to time and at the meetings of the Independent Directors assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for efficient performance of duties in you individual capacity as a director and by the Board collectively.
17. You will not take any step or action that will bring or likely to bring disrepute to the company or affect the Company's interest adversely.

**REMUNERATION AND REIMBURSEMENT OF EXPENSES:**

18. As an Independent Director your remuneration will comprise of sitting fees as may decided by the Board within the limits fixed under the Act and provided in the Articles of Association of the Company.

19. In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.
20. You will not be entitled for any compensation for loss of office as an Independent Director, or as consideration for retirement/ resignation from such office or in connection thereto.
21. The remuneration & sitting fee payable to non-executive directors including Independent Directors will be reviewed periodically by the Board.

**CONFLICT OF INTEREST:**

22. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.
23. In the event that your 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 judgement that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

**EVALUATION:**

24. The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per Company's Policy. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

**DISCLOSURE OF INTEREST:**

25. Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated.
26. At the first board meeting in which you participate as a director and thereafter at the first meeting of the Board in every financial year, you will have to give a declaration that you meet the criteria for independence as specified in Section 149 of the Act. The format of such declaration will be made available to you.

**CONFIDENTIALITY:**

27. All information acquired during your appointment is confidential to the Company and should not be released, either during your 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. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

28. Your 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 you 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.

**TERMINATION:**

29. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies, Shillong.
30. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
31. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

**PROVISION FOR DIRECTORS AND OFFICERS INSURANCE:**

32. The Company has a directors' and officers' liability insurance policy in place for a value of Rs 5.00 crores and it is intended to maintain such cover for the full term of your appointment.

**GENERAL:**

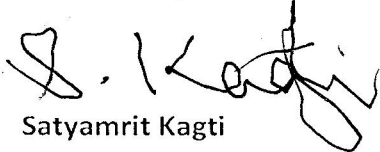
33. This Letter and any non-contractual obligations arising out of or in connection with this letter are governed by, and shall be construed in accordance with, the laws of India.

This letter constitutes the entire terms and conditions of your appointment and no waiver or modification thereof shall be valid unless in writing and signed by the parties hereto.

On behalf of the Company and the Board, we look forward to your joining the Board and to your valued participation in the board deliberations and successful direction of the company's activities.

Confirm your agreement to the above terms and conditions by signing and returning the duplicate of this letter.

With warm personal wishes

A handwritten signature in black ink, appearing to read 'S. Kagti', written over a printed name.

**Satyamrit Kagti**

Director

DIN: 00360854

I have read and agree to the above terms regarding my appointment as an Independent Director of Assam Hospitals Limited.

**K. C. Choudhury**  
**INDEPENDENT DIRECTOR**

**SCHEDULE IV**  
**[See Section 149(8)]**  
**CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

**I. Guidelines of professional conduct:**

As an independent director, you shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his 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;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

**II. Role and functions:**

As an independent directors, you shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties:**

As an independent directors, you shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved,



insist that their concerns are recorded in the minutes of the Board meeting;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose 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.