

Sec.ID

date:

LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTOR

Dear Shri

This has reference to the MoPNG letter No. _____ dated _____ communicating your nomination as Non-Official Independent Director on the Board of Bharat Petroleum Corporation Ltd (BPCL / the Company).

Under Schedule IV read with Section 149 (8) of the Companies Act 2013, the appointment of Independent Directors shall be formalized through a letter of appointment. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. Appointment

The Board of Directors have appointed you as Additional Director on the Board of Directors of BPCL which becomes effective _____ as per the provisions of Article 77A of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013. The appointment is for a period of 3 years with effect from _____ or till further orders whichever is earlier and subject to approval of shareholders at the Annual General Meeting of the Company.

Your relationship with the Company is that of an office-holder and not one of contract for employment in the Company. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing Regulations.

2. Committees

Your appointment on Board Committee(s) will be subject to the applicable regulations and terms of reference.

3. Role, Duties and Responsibilities

Your role, duties and responsibilities will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013, the listing Regulations and DPE Guidelines on Corporate Governance for CPSEs which, inter alia, include:

- Bringing an independent judgment to bear on the Board's deliberations, taking proper and sufficient care in the preparation of the annual accounts, following accounting standards, selecting accounting policies, maintaining adequate accounting records, laying down internal financial controls, meeting the criteria of an independent director in relation to a company.
- Acting in accordance with the articles of the company, acting in good faith in order to promote the objects of the company, exercising duties with due and reasonable care, skill and diligence, exercising independent judgment without direct or indirect interest that conflicts with the interest of the company, not achieving any undue gain or advantage etc.,

For your ready reference, certain relevant provisions have been extracted and the same form part of **Annexure A**.

4. Time Commitment

As an Independent Director you are expected to bring objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management and other spheres to ensure high standards of financial probity and corporate governance. The Board meets usually twelve times in a year. The Audit Committee meets usually nine times in a year. Besides, there are other Committee meetings like Project Evaluation Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Sustainable Development Committee etc. meetings which will be periodically convened. You will be expected to attend Board Meeting and Board Committees in which you are a member and to devote such time as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai and on few occasions at New Delhi and such other place as may be decided.

5. Remuneration & Expenses

Independent Directors are presently paid a Sitting fee of Rs 40,000 for each of the Board / Committee meetings attended subject to applicable taxes. The Company will bear incidental expenses incurred in your role as a Director for attending the Board / Committee meetings such as travel expenses, stay expenses etc., or the Company will reimburse you for all reasonable and properly-documented expenses incurred for attendance at meeting.

6. Directors' Insurance

The Company maintains Directors & Officers Liability Policy on behalf of the Directors & Officers of the Company and meets all premiums. The Scope of cover as per the policy is:

1. On behalf of the Directors or Officer of the Company, loss arising from any claim first made against them during the period of the Insurance by reason of any Wrongful Act committed in the capacity of Director or Officer of the Company except for and to the extent that the company has indemnified the Directors or Officers.
2. On behalf of the company, loss arising from any claim first made against the Directors or officer during the period of Insurance by reason of any Wrongful Act committed in the capacity of Director or Officer of the Company but only when and to the extent that the company shall be required or permitted to indemnify the Directors or Officers pursuant to the law, common or statutory or the Memorandum and Articles of Association

Wrongful Act shall mean any actual or alleged wrongful act or omission by Directors or officer individually or collectively by reason of they being Directors or officers of the Company. Related or continuous or repeated or casually connected wrongful Acts shall constitute a single Wrongful Act.

7. Independent Advice

In case of an occasion when you consider seeking independent professional advice, you may consult independent advisers at the Company's expense, on any matter connected with the discharge of your responsibilities as a Director. Copies of this advice must be made available to, and for the benefit of, all Board members.

8. Company Policies & Disclosures

As a Director of the Company you will be expected to act at all times in accordance with the provisions of applicable corporate regulations and comply with the Company's corporate policies and procedures that relate to your role as a Director covering corporate governance, code of conduct, insider trading regulations etc.

To enable compliance with the same, you are required to comply with and make certain disclosures related to and/or which might affect your role as a Director. These, inter alia, include:

- a. A general notice of interest in any contracts with a particular person, firm or company giving notice to the Board of any relevant or material personal interest or conflict in relation to the affairs or business of the Company if the same is not covered in general notice; **(Annexure B)**.
- b. Details of directorships / committee memberships and changes therein;
- c. Disclosures and compliance with "The Code of Conduct for Board Members and Senior Management Personnel" and "The Code of Conduct to regulate, monitor and report trading for prevention of Insider Trading in the securities of Bharat Petroleum Corporation Limited". **(Annexure C-F)**

The Company has also adopted 'Whistle Blower Policy' to ensure greater transparency in all aspects of Corporation's functioning. The Company has also adopted 'Anti-Fraud Policy'.

9. Familiarisation programme for Independent Directors

In order to meet the requirements of Corporate Governance Norms, the company needs to familiarise the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The company would undertake / sponsor training program for Board Members. As a member of the Board / committee, you would endeavor to participate in such Familiarisation Programmes.

10. Confidentiality

In your role as a Director you will be in possession of confidential information about the Company and its affairs. You may only use that information in the proper performance of your duties or as required by law; you must not use it to gain advantage for yourself or others, or to the detriment of the Company.

11. Board Evaluation

On implementation and adoption of a policy on Board Evaluation subject to the issuance of DPE Guidelines on the subject matter, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

12. Termination

You may resign from your position at any time and should you wish to do so, you are requested to serve a written notice stating the reasons for resignation. Your appointment may also be terminated in accordance with the provisions of the Companies Act 2013 on certain specified occasions.

13. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

If you are willing to accept these terms of appointment relating to your appointment as a non executive Independent Director of BPCL, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely
For and on behalf of **Bharat Petroleum Corporation Limited**

Chairman & Managing Director

Date:

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature :

Date :

(Model Letter of Appointment and is subject to Amendment/ Modification)

Extracts of the provisions of the Companies Act 2013

Section 2 (60) – Definition.

“officer who is in default”, for the purpose of any provision in this Act which enacts that an officer of the company who is in default shall be liable to any penalty or punishment by way of imprisonment, fine or otherwise, means any of the following officers of a company, namely:—

- (i) whole-time director;
- (ii) key managerial personnel;
- (iii) where there is no key managerial personnel, such director or directors as specified by the Board in this behalf and who has or have given his or their consent in writing to the Board to such specification, or all the directors, if no director is so specified;
- (iv) any person who, under the immediate authority of the Board or any key managerial personnel, is charged with any responsibility including maintenance, filing or distribution of accounts or records, authorises, actively participates in, knowingly permits, or knowingly fails to take active steps to prevent, any default;
- (v) any person in accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act, other than a person who gives advice to the Board in a professional capacity;
- (vi) every director, in respect of a contravention of any of the provisions of this Act, who is aware of such contravention by virtue of the receipt by him of any proceedings of the Board or participation in such proceedings without objecting to the same, or where such contravention had taken place with his consent or connivance;
- (vii) in respect of the issue or transfer of any shares of a company, the share transfer agents, registrars and merchant bankers to the issue or transfer;

Section 134 (5) – Financial statement, Board’s report, etc.

The Directors’ Responsibility Statement referred to in clause (c) of sub-section (3) shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and

- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Explanation.—For the purposes of this clause, the term “internal financial control” means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information;

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Section 149 (6) - Company to have Board of Directors.

An independent director 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 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 has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (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;
 - (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.

149 (8) - Company to have Board of Directors.

The company and independent directors shall abide by the provisions specified in Schedule IV.

Section 149 (12) - Company to have Board of Directors.

Notwithstanding anything contained in this Act,—

- (i) an independent director;
- (ii) a non-executive director not being promoter or key managerial personnel, shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

Section 166 - Duties of directors.

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a company 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

Section 188(5) - Related party transactions.

Any director or any other employee of a company, who had entered into or authorized the contract or arrangement in violation of the provisions of this section shall,—

- (i) in case of listed company, be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees, or with both; and
- (ii) in case of any other company, be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees.

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 fulfilment 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:

An independent director 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:

The independent directors 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 :

The independent directors 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) acting within his 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.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Definition:

16(1)(b) "independent director" means a non-executive director, other than a nominee director of the listed entity:

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

(ii) who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;

(iii) who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;

(iv) who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(v) none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(vi) who, neither himself, nor whose relative(s) —

(A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity 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;

(B) 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 —

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

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

(C) holds together with his relatives two per cent or more of the total voting power of the listed entity; or

(D) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, 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 listed entity;

(E) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;

(vii) who is not less than 21 years of age.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

PRINCIPLES GOVERNING DISCLOSURES AND OBLIGATIONS OF LISTED ENTITY

4 (2) (f) Responsibilities of the board of directors:

The board of directors of the listed entity shall have the following responsibilities:

(i) Disclosure of information:

(1) Members of board of directors and key managerial personnel shall disclose to the board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.

(2) The board of directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

(ii) Key functions of the board of directors-

(1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

(2) Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.

(3) Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.

(4) Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.

(5) Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.

(6) Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

(7) Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

(8) Overseeing the process of disclosure and communications.

(9) Monitoring and reviewing board of director's evaluation framework.

(iii) Other responsibilities:

(1) The board of directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.

(2) The board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.

(3) Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.

- (4) The board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.
- (5) Where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.
- (6) The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- (7) The board of directors shall exercise objective independent judgement on corporate affairs.
- (8) The board of directors shall consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
- (9) The board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.
- (10)The board of directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- (11)When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
- (12) Members of the board of directors shall be able to commit themselves effectively to their responsibilities.
- (13)In order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.
- (14)The board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors.

MODEL ROLE AND RESPONSIBILITIES OF NON-OFFICIAL DIRECTORS OF
CENTRAL PUBLIC SECTOR ENTERPRISES (CPSEs)

I. ROLE AND FUNCTIONS:

The non-official directors 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, Corporate Social Responsibility, Sustainable Development and standards of conduct; Being totally independent of the company or its management, provide a candid view of the faults or shortcomings of the company's plans and suggest measures for improvement.
2. Bring an objective view in the evaluation of the performance of board and management;
3. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Facilitate quality standards for products and services of the company that should meet the national/international standards;
5. Satisfy themselves on the integrity of financial information and that the financial controls and the systems of risk management are robust and defensible;
6. Add value to the decision making process of the Board of Directors by giving positive inputs and constructive criticism, wherever required;
7. Safeguard the interests of all stakeholders, particularly the minority shareholders;
8. SEPARATE MEETINGS:
 1. The non-official directors of the company shall hold at least one meeting in a year, without the attendance of Functional and Government directors and members of management
 2. All the non-official directors of the company shall strive to be present at such meeting;
 3. The meeting shall:
 - (a) Review the performance of Functional and Government directors and the Board as a whole;
 - (b) Review the performance of the Chairperson of the company, taking into account the views of all the directors;
 - (c) Assess 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.

9. Balance the conflicting interest of the stakeholders;
10. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest
11. Facilitate sustainable development of the company
12. Encourage in adopting green technologies and resource conservation practice by the company
13. Help in determining appropriate levels of remuneration as per chapter 5 of the Guidelines on Corporate Governance for CPSEs 2010

II. Duties:

The non-official directors 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 expenses 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 use confidential information acquired in the course of their service as Non-official Directors for their personal advantage or for the advantage of any other entity;
9. Keep the Board informed in an appropriate and timely manner any information in the knowledge of the member which is related to the decision making or is otherwise critical for the for the company;
10. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
11. 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;
12. Furnish a report to the Board about their role & contribution during the year. This will inculcate accountability in their working & will enhance their contributions;
13. Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
14. Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
15. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price.