

OIL AND NATURAL GAS CORPORATION LIMITED



TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

1. Appointment

Ministry of Petroleum & Natural Gas (MoPNG), the administrative ministry of Government of India (GoI) initiates the proposal for selection of Independent Directors (IDs) on the Board of the Company as and when the vacancies arise. The selection is made by a Search Committee comprising, the Secretary – Department of Personnel and Training (Chairman), the Secretary – Department of Public Enterprises (DPE), the Secretary - Ministry of Petroleum & Natural Gas and two non-official Members. Based on the recommendations of Search Committee, Appointments Committee of Cabinet finalizes and approves the candidates for appointment by the MoPNG.

2. Tenure

IDs are generally appointed for a tenure of 3 years, subject to further order(s) of MoPNG. Normally, IDs are not re-appointed for additional term of office.

3. Remuneration

- a) IDs are not paid any monthly/ fixed remuneration as they are not whole-time Directors of the Company.
- b) IDs are paid ₹40,000/- per meeting of the Board and ₹40,000/- per meeting of Committee as attended by them.
- c) All expenses, including travel and conveyance, boarding and lodging and other incidental expenditure, incurred by IDs in connection with their official duties are paid/ reimbursed by the Company.

4. Induction and training

IDs are provided formal induction training to enable them to get familiarize with the organizational setup, production facilities, business and operational environment of the Company. Further, they are nominated for training programs conducted by external agencies including Department of Public Enterprises and Indian Institute of Corporate Affairs.