

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO. 1413

ANSWERED ON -13/03/2023

Appointment of independent directors in PSUs

1413# Shri Ram Nath Thakur:

Will the MINISTER OF PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the Public Sector Undertakings (PSUs) of petroleum sector where independent directors have been appointed during last five years;
- (b) the details of said appointments of directors, company-wise;
- (c) the specialization possessed by said directors;
- (d) the honorarium and other facilities provided to these directors during last five years, details thereof;
- (e) whether it is a fact that appointment of said independent directors has led to an increase in expenditure of oil companies and same is being compensated by increasing price of petrol, diesel, and kerosene; and
- (f) whether Indian Institute of Corporate Affairs has pointed out towards a lack of independence in selection of independent directors?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)

(a) to (c): Non-official Independent Directors in PSUs of Petroleum Sector are appointed in accordance with provisions of Section 149 of Companies Act, 2013. The details of company wise appointment of such directors during the last five years are at Annexure-A. These directors have experience in various fields which inter-alia include persons of eminence with proven track record from Industry, Business, Agriculture, Management, retired government officials/CMDs /CEOs /Functional Directors of CPSEs, Academicians etc.

(d): These Directors are paid sitting fees for attending the Board / Committee meetings within the statutory limits prescribed under Companies Act, 2013 and guidelines issued by Department of Public Enterprises in addition to expenses incidental thereto in terms of policy of respective companies. The year-wise details of sitting fees paid to these Directors as reported by PSUs are at Annexure-B.

(e): The retail selling price of Petrol, Diesel and Kerosene is linked to the price of these products in international market and various other factors viz. the prevailing rupee-dollar exchange rate, inland freight, marketing costs & margin, dealer commission and taxes/duties etc. The sitting fees paid to independent directors is not linked to retail prices of petrol, diesel and kerosene as these are not part of price build up.

(f): No such communication has been received in the Ministry of Petroleum & Natural Gas, from Indian Institute of Corporate Affairs (IICA) in this regard.

ANNEXURE-A REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 1413 BY SHRI RAM NATH THAKUR TO BE ANSWERED ON 13TH MARCH, 2023 REGARDING APPOINTMENT OF INDEPENDENT DIRECTORS IN PSUs.

Name of Public Sector Undertaking	Year wise appointment of Independent Director	Nos.
Indian Oil Corporation Limited (IOCL)	2018	--
	2019	2
	2020	--
	2021	6
	2022	-
Bharat Petroleum Corporation Limited (BPCL)	2018	1
	2019	1
	2020	--
	2021	5
	2022	--
Oil & Natural Gas Corporation Limited (ONG)NGC	2018	--
	2019	1
	2020	--
	2021	4
	2022	0
GAIL (India) Limited	2018	1
	2019	--
	2020	--
	2021	6
	2022	--
Hindustan Petroleum Corporation Limited (HPCL)	2018	--
	2019	1
	2020	--
	2021	5
	2022	--
Oil India Limited (OIL)	2018	--
	2019	3
	2020	--
	2021	3
	2022	--
Engineers India Limited (EIL)	2018	4
	2019	1
	2020	--
	2021	6
	2022	-
Mangalore Refinery and Petrochemicals Limited (MRPL)	2018	--
	2019	2
	2020	-
	2021	4

	2022	--
Balmer Lawrie & Company Limited (BLC)	2018	3
	2019	3
	2020	--
	2021	2
	2022	--
Numaligarh Refinery Limited (NRL)	2018	--
	2019	2
	2020	--
	2021	3
	2022	-
Bharat PetroResources Limited (BPRL)	2018	--
	2019	2
	2020	--
	2021	--
	2022	--
Chennai Petroleum Corporation Limited (CPCL)	2018	1
	2019	3
	2020	--
	2021	2
	2022	--
Balmer Lawrie & Investments Limited (BLIL)	2018	1
	2019	1
	2020	--
	2021	--
	2022	--
Brahmaputra Cracker & Polymer Limited (BCPL)	2018	--
	2019	1
	2020	--
	2021	1
	2022	--
Certification Engineers International Limited (CEIL)	2018	1
	2019	1
	2020	--
	2021	--
	2022	--
ONGC Videsh Limited (OVL)	2018	--
	2019	--
	2020	--
	2021	3
	2022	--

ANNEXURE-B REFERRED TO IN REPLY TO PART (d) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 1413 BY SHRI RAM NATH THAKUR TO BE ANSWERED ON 13TH MARCH, 2023 REGARDING APPOINTMENT OF INDEPENDENT DIRECTORS IN PSUs.

DETAILS OF SITTING FEES PAID TO THE INDEPENDENT DIRECTORS DURING THE LAST FIVE YEARS

(Figures in Rs.)

Indian Oil Corporation Limited (IOCL)				
2017-18	2018-19	2019-20	2020-21	2021-22
69,26,800	68,40,000	63,60,000	35,20,000	29,60,000
Bharat Petroleum Corporation Limited (BPCL)				
85,60,000	78,80,000	48,80,000	14,80,000	35,20,000
Oil & Natural Gas Corporation Limited (ONGC)				
1,15,10,000	80,10,000	52,40,000	13,10,000	28,50,000
GAIL (India) Limited				
59,60,000	66,60,000	61,40,000	24,70,000	30,20,000
Hindustan Petroleum Corporation Limited (HPCL)				
42,50,000	61,40,000	50,40,000	17,00,000	24,00,000
Oil India Limited (OIL)				
8,40,000	18,20,000	36,10,000	34,80,000	38,70,000
Engineers India Limited (EIL)				
19,50,000	24,65,000	19,45,000	9,15,000	3,45,000
Mangalore Refinery and Petrochemicals Limited (MRPL)				
25,80,000	58,10,000	39,40,000	18,70,000	18,60,000
Balmer Lawrie & Company Limited (BLC)				
3,00,000	5,50,000	9,55,000	17,95,000	16,55,000
Numaligarh Refinery Limited (NRL)				
9,80,000	12,80,000	18,40,000	19,60,000	33,00,000
Bharat PetroResources Limited (BPRL)				
Nil	Nil	4,40,000	6,80,000	6,40,000
Chennai Petroleum Corporation Limited (CPCL)				
7,40,000	14,30,000	18,40,000	16,50,000	16,10,000

Balmer Lawrie & Investments Limited (BLIL)				
Nil	40,000	95,000	1,40,000	85,000
Brahmaputra Cracker & Polymer Limited (BCPL)				
1,98,000	2,16,000	1,40,000	2,50,000	3,00,000
Certification Engineers International Limited (CEIL)				
4,10,000	3,15,000	2,25,000	4,20,000	1,65,000
ONGC Videsh Limited (OVL)				
22,00,000	45,10,000	30,10,000	11,70,000	6,50,000