

_____ 2024

To,
Ms. Satyavati Berera
Address

Dear Ms. Berera,

Sub.: Appointment as an Independent Director on the Board of Castrol India Limited

We are pleased to inform you that the Board of Directors of Castrol India Limited (“Castrol” or “the Company”) has appointed you as an Independent Director of the Company with effect from 1 October 2024 for a period of 5 consecutive years, subject to the approval of the shareholders. Your appointment shall be subject to the terms and conditions set out in the Annexure to this letter.

We congratulate you and look forward to a mutually beneficial association. Kindly confirm your acceptance of the appointment by signing and returning to us a duplicate copy of this letter.

Thank You.

Sincerely,
For **Castrol India Limited**

Sandeep Sangwan
Managing Director
DIN: 08617717

Encl. As above

I hereby accept the terms of my appointment as stated in this letter:

Sign

Satyavati Berera
DIN: 05002709

Date:
Place:

Registered address:

Castrol India Limited

CIN: L23200MH1979PLC021359

Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East), Mumbai – 400093

Tel: +9122-71777111 / Fax: +9122-66984101

Customer Service Toll Free No: 1800222100 / 18002098100



ANNEXURE TO THE LETTER

Terms of appointment of Independent Director ("ID") on the Board of Directors (Board) of Castrol India Limited ("Castrol" or "the Company") effective 1 October 2024

1. Position

- 1.1 The role of ID is a non-executive role and it does not carry any executive responsibilities, liability or authority.
- 1.2 The term ID should be construed as defined under the Companies Act, 2013 together with the Rules notified there under (including any re-enactments thereof or modifications thereto) ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (together referred to as the "Applicable Laws").
- 1.3 You will not be an employee of the Company and this letter shall not constitute a contract of employment.

2. Tenure

- 2.1 Your appointment takes effect from 1 October 2024 and shall be valid up to 30 September 2029 unless terminated earlier.
- 2.2 Your appointment will be subject to the provisions of the Applicable Laws and the Articles of Association of the Company.

3. Committees

- 3.1 The Board may, if it deems fit, subject to your consent, invite you for being appointed on one or more of its Board Committees whether existing or that may be set up in the future.
- 3.2 Your appointment on any Board Committee(s) will be subject to the provisions of the Applicable Laws.

4. Time Commitment

- 4.1 Independent Director is expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.
- 4.2 The Board meets at least four times in a year.
- 4.3 The Board may also meet additionally once/twice in a year at a strategy meet where it discusses various long term strategic matters relating to the Company.
- 4.4 You will be expected to attend meetings of Board and Board Committees to which you are/may be appointed, strategy meets and also the meetings of shareholders and commit sufficient time to ensure fulfilment of your duties and responsibilities effectively.



5. Role, Duties & Responsibilities

- 5.1 The duties and responsibilities of an ID are same as other Directors. There are, however, additional roles and duties required of an ID under the applicable laws.
- 5.2 "Appendix 1" to this Annexure contains details of your duties and responsibilities as laid down under the Applicable Laws.
- 5.3 Without prejudice to above, you shall be under an obligation to comply with all other laws as are applicable with respect to your appointment as a Director of the Company.

6. Code of Conduct

- 6.1 The Independent Director should familiarise with the [bp Code of Conduct](#) and the [Castrol India Limited - Code of Conduct for Board of Directors and Senior Management Personnel](#) and comply with the same.
- 6.2 You shall abide by the Code and such other policies that may be adopted by the Company applicable to an ID.

7. Liabilities

- 7.1 As an ID, you shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with your knowledge, attributable through Board and Committee processes, and with your consent or connivance or where you had not acted diligently.

8. Remuneration & Entitlements

- 8.1 You shall be entitled to following:
 - a. sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and
 - b. annual commission that may be determined by the Board from time to time, payable at the end of each financial year based on the performance of the Company.
- 8.2 The commission payable to Non-Executive Directors is subject to the approval of the shareholders of the Company and the limits prescribed under the provisions of the Act.
- 8.3 Presently, the remuneration payable to the Non-Executive Independent Directors is as below:
 - i. Sitting Fees: INR 50,000 (Rupees Fifty Thousand only) per meeting of Board of Directors and Committees thereof, attended by the Director.
 - ii. Fixed Commission for Non-Executive Independent Chairperson of the Board: INR 24,00,000 (Rupees Twenty Four Lacs only) per annum.
 - iii. Fixed Commission for Non-Executive Independent Directors (other than the Chairperson of the Board): INR 18,00,000 (Rupees Eighteen Lacs only) per annum.



8.4 Additionally, you will be entitled to reimbursement of expenses incurred by you in connection with the attending of Board meetings, Board Committee meetings, and General meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.

9. Disclosures

9.1 Initial Disclosures:

9.1.1 At the first meeting of the Board in which you participate as a Director you shall disclose your concern or interest in any company/ies or bodies corporate, firms, or other association of individuals which shall include your shareholding, in the manner prescribed under the Act.

9.2 Continual Disclosures:

9.2.1 At the first meeting of the Board in every financial year and whenever there is any change in the disclosures already made, then within 30 days of such change, you shall disclose your concern or interest in any company/ies or bodies corporate, firms, or other association of individuals which shall include your shareholding, in the prescribed manner under the Act.

9.2.2 During your appointment as an ID, if there is any change in the circumstances that affect your independence, you shall immediately inform the Company of the same.

9.2.3 You may be required to furnish additional disclosures to the Company as per the requirements of other laws that are/may be applicable to the Company within such period and at such intervals as may be informed to you by the Company.

10. Directors' Liability Insurance

10.1 The Company has availed a Directors' & Officers' Policy ("D&O Policy") covering the liability of its Directors and Officers on the terms of the policy (which are subject to change).

10.2 A copy of the D&O Policy shall be emailed to you separately.

11. Performance Evaluation

11.1 The performance evaluation of the Board as a whole and the individual Directors shall be in accordance with the policy of the Company for Board Evaluation and provisions of the applicable laws.

11.2 The outcome of performance evaluation shall be considered to determine whether to extend or continue the term of your appointment as an ID.

12. Termination/Vacation

12.1 You may resign from your position as Director at any time, subject to a written notice of at least three months served to the Board.



- 12.2 Your appointment may also be automatically terminated in accordance with the provisions of the Act and Articles of Association of the Company as amended from time to time.
- 12.3 Any such termination shall be with a notice of 24 hours on either side.
- 12.4 Upon your resignation/ termination as a Director, you shall, with immediate effect, cease to be a member of the Committee(s) of the Board in which you are appointed.
- 12.5 Further, your office is liable to vacation on the grounds prescribed under the Act.

13. Confidential Information

- 13.1 "Confidential Information" means all information, data, know-how, strategies, content, artworks, customers-products-business-related information, trade secrets, information, reports, records or other documents or things recorded on paper, tape, disc, computer systems or any mechanical or electronic device as may be received from Castrol and the recipient will have access to information/ data/ materials and supporting documents pertaining to Castrol or Castrol's systems or by whatever means, or any other oral or written communication made by Castrol or supplied or made available to the recipient or may come to the knowledge of the recipient relating to the business (including future or possible business) of Castrol, pursuant to any dealings, discussions, negotiations, agreements or contracts entered into by Castrol which is confidential or which Castrol should reasonably have assumed to be confidential or relating to the activities of Castrol or its affiliates business operations or relating to the rights and obligations of those who carry on or who are connected to Castrol, but excluding any information:
 - which at the time of the disclosure by Castrol is in the public domain; or
 - which after disclosure by Castrol becomes part of the public domain by publication or otherwise not through violation on the part of the recipient; or
 - which the recipient can show was in its possession at the time of disclosure by Castrol; or
 - which the recipient can show was obtained from a third party who is not under obligation to either Castrol or the recipient to maintain the confidential information in confidence; or
 - which previously was, or at anytime hereafter is, received in good faith without secrecy obligation from other sources and which did not originate, directly or indirectly from the recipient; or
 - which is required by law or appropriate regulatory authorities to be disclosed, provided that Castrol is notified in writing by the recipient of any such requirement at least 5 (five) days prior to such disclosure and such disclosure is strictly limited to the extent required.
- 13.2 As an ID, you may have access to and /or knowledge of Confidential Information. You shall use Confidential Information only in the performance of your duties as an ID.
- 13.3 You shall hold Confidential Information in confidence and trust.



13.4 You shall ensure that Confidential Information is not disclosed or divulged to any person in any manner whether directly or indirectly in full or in part, both during and after your Term as an ID without prior clearance from the Board unless required by law or by the rules of any stock exchange or regulatory body.

14. Communication

14.1 All communication to Castrol India Limited shall be addressed to the following address:

The Company Secretary
Castrol India Limited
Technopolis Knowledge Park, Mahakali Caves Road,
Andheri E, Mumbai – 400 093

14.2 All communication to you shall be addressed to the following address:

Ms. Satyavati Berera
Address

14.3 In case of any change in the above information on either side, the same shall be communicated promptly to the other party.

15. Governing Law

15.1 This agreement is governed by and will be interpreted in accordance with laws of India and your engagement shall be subject to the jurisdiction of the courts in Mumbai.



Appendix 1

DUTIES AND RESPONSIBILITIES OF DIRECTORS

A. DUTIES OF A DIRECTOR [as per Section 166 of the Companies Act, 2013]

- 1 Subject to the provisions of the Companies Act, 2013 together with the Rules notified there under (including any re-enactments thereof or modifications thereto) (referred to as "the Act"), a Director of a company shall act in accordance with the articles of association 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, and 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.

B. CODE FOR INDEPENDENT DIRECTORS [as per Schedule IV of the Act]

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:

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. scrutinize 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.
4. The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out:
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed Director; the Board-level committee(s) in which the Director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. provision for Directors and Officers (D and O) insurance, if any;



- e. the Code of Business Ethics that the company expects its Directors and employees to follow
 - f. the list of actions that a Director should not do while functioning as such in the company; and
 - g. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
5. The terms and conditions of appointment of independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours.
 6. The terms and conditions of appointment of independent Directors shall also be posted on the company's website.

V Re-appointment:

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

VI Resignation or removal:

The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.

VII Separate meetings:

1. The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent directors and members of management;
2. All the Independent Directors of the company shall strive to be present at such meeting;
 - i. The meeting shall:
 - a. review the performance of Non-Independent Directors and the Board as a whole;
 - b. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive 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.

VIII Evaluation mechanism:

1. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to continue the term of appointment of the Independent Director.
