



ECGC LIMITED

(A Government of India Enterprise)

Terms of appointment - Non-Institutional Non-Official (Independent) Director

The terms and conditions of appointment are as per the statutory provisions of the Companies Act, 2013, Guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI), Corporate Governance Guidelines issued by the Department of Public Enterprises (DPE) for Central Public Sector Enterprises (CPSEs) and provisions of the Articles of Association of the Company. The detailed terms of appointment for a Non-official (Independent) Director on the Board of the Company are enumerated in the succeeding paragraphs:

(a) Appointment & Tenure:

The tenure of appointment shall be as per the appointment order issued by the Ministry of Commerce & Industry, Government of India.

(b) Sitting Fee:

Non-official (Independent) Directors are entitled to a sitting fee of ₹20,000/- (Rupees Twenty thousand only) for attending each Board Meeting. Members of the Board-level committees are entitled for a sitting fee of ₹10,000/- (Rupees Ten thousand only) for attending each Committee meeting. Attendance through Video Conference / Other Audio-Visual Means (OAVM) shall also be considered for payment of sitting fee.

(c) Expenses in connection with the meetings and business of the Company:

Directors are entitled for Business Class air travel (direct route, wherever available), boarding and lodging expenses incurred by them for attending the Board/Committee meetings or other official meetings/events specifically requested by the Company. Apart from these, Directors are not entitled for any other monetary benefit in the form remuneration/commission/salary etc.

(d) Expectation of the Board, Roles and Responsibilities:

The expectations from the Directors individually and/or collectively as outlined in the Companies Act, 2013 and the rules framed thereunder; Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010; and the Insurance Regulatory and Development Authority of India (IRDAI) (Corporate Governance for Insurers) Regulations, 2024 and the Master Circular on Corporate Governance for Insurers, 2024 issued thereunder, in addition to the Terms of Reference of the Committees constituted by the Board, including any amendments or revision thereof, are applicable during the term of appointment. Pursuant to the Corporate Governance Guidelines issued by the IRDAI, Directors of Insurance Companies are expected not to indulge in activities detrimental to the interest of the Company. An indicative list of activities is provided in the Deed of Covenant, required to be executed by all the newly appointed Directors, with the Insurance Company.

(e) Code of Business Conduct and Ethics:

Board-approved Code of Business Conduct and Ethics (For Board Members and Senior Management Personnel) is required to be adhered by all concerned Directors.

(f) Disclosure of Interest:

As per statutory requirements, a director can hold directorship in a maximum of 20 companies at the same time. Out of the 20, no more than 10 companies can be public companies. All Independent Directors are required to declare to the Board of Directors any change in circumstances which affects their independent status as defined in Section 149(6) of the Companies Act, 2013.

(g) Confidentiality:

All information related to the Company acquired during their tenure as a Director is confidential and dissemination of the same either during or after the tenure to third parties, or sharing on social media is permitted only with the prior written clearance from the Chairman-cum-Managing Director, ECGC Limited.

(h) Directors' and Officers' Liability Insurance Policy:

All Directors are covered under the Directors' and Officers' Liability Insurance Policy obtained by the Company periodically. This policy is applicable for the bona fide duties performed by individuals in their capacity as Directors/Officers of the Company.

(i) Training:

Training of Directors is considered paramount for Directors to familiarize them with their role and responsibilities. All the Directors are regularly encouraged and sponsored for attending relevant training programmes pertaining to Board-related practices, Board dynamics, Role of various Committees, Corporate Governance practices, etc., conducted by various Institutes of repute.
