

File No. I-21011/7/2020-CID
Indian Institute of Corporate Affairs
Plot no. 6,7,8, Sector 5
IMT, Manesar
Gurugram - 122052

Date: 01st May, 2023

OFFICE MEMORANDUM

Subject: Amendment to Scheme # 2 on Convergence Capacity Building Plan for Independent Directors

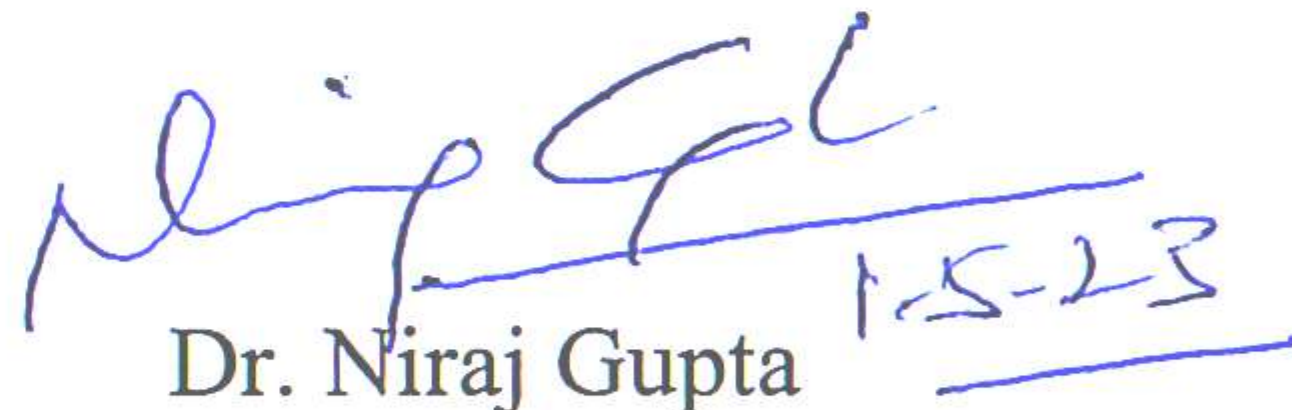
The Scheme # 2 of the Independent Directors' Databank on Convergence Capacity Building Plan for Independent Directors was last amended on 28th February, 2023.

Now, a further amendment to the Scheme # 2, is being ordered as follows:

1. Under the heading "Eligibility", the following paragraph shall be added as a proviso after the existing paragraph

"Provided that only those who have registered with the ID Databank at least 06 (six) months before the date when the nominations for a programme have been called on the first occasion on the Independent Directors Databank, will be considered eligible for the programme. Ineligible nominations on this or any other count would not be considered for further processing either by the Centre for Independent Directors' Databank or the School/ Centre conducting the Programme"

2. This OM is issued with the approval of the Competent Authority.


Dr. Niraj Gupta
Nodal officer, ID Databank

To
All concerned (via e-Notice Board)

Physical copies

- 1) All Heads Schools/ Centres
- 2) Chief Administrative Officer
- 3) Finance Officer
- 4) EA to DG & CEO

File No. I-21011/7/2020-CID
Indian Institute of Corporate Affairs
Plot no. 6,7,8, Sector 5
IMT, Manesar
Gurugram - 122052

Date: 28th February, 2023

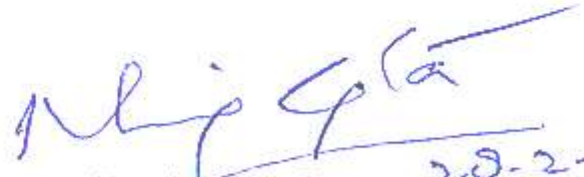
OFFICE MEMORANDUM

Subject: Amendment to Scheme # 2 on Convergence Capacity Building Plan for Independent Directors issued on 07/10/22

A revised scheme on Convergence Capacity Building Plan for Independent Directors (IDs) was issued vide OM No. I-21011/7/2020-CID dated 07/10/2022. With the objective to bring more transparency and effective implementation of Scheme 2 of ID Databank, the following sub-para after para 2(b) of the OM dated 07.10.2022 is being inserted-

- a. If the course has already been conducted earlier and is not being offered for the first time, nominations for the new batch would be eligible to be included from the independent directors databank (IDD) only when it receives nominations (excluding 10 IDDB nominations) equal to or more than 75% number of the total accepted nominations in the immediately previous programme or 75% of the total projected nominations (excluding 10 IDDB nominations), whichever is more. However, it would be eligible to receive nominations from IDD, if it has received 60 nominations, irrespective of the fact whether this is less than 75% of last batch's nomination or of this batch's projected nomination. That is, if the last year's accepted nominations (excluding IDD nominations) was 40 and this year's projected nomination was 35, then the school should receive at least 30 nominations, to enrol 10 persons from IDD. But if the last years' accepted nominations (excluding IDD nominations) was 90 and projected nominations for this batch is 100, then the school can enrol 10 persons from IDD if it has received at least 60 nominations.
- b. If the course is being conducted for the first time at IICA, the same would be offered nominations from the IDD only when 75% of the projected nominations have been secured. It is expected that the projections are based on due diligence after considering the cost of the programme, market demand and other factors which can affect the nominations.

2. This OM is issued with the approval of the Competent Authority.


Dr. Niraj Gupta
Nodal officer, ID Databank

28-2-23

To
All concerned (via e-Notice Board)

Physical copies

- 1) All Heads Schools/ Centres
- 2) Chief Administrative Officer
- 3) Finance Officer
- 4) EA to DG & CEO

File No. I-21011/7/2020-CID
Indian Institute of Corporate Affairs
Plot no. 6,7,8, Sector 5
IMT, Manesar
Gurugram - 122052

Date: 07th October, 2022

OFFICE MEMORANDUM

Subject: Amendment to Scheme # 2 on Convergence Capacity Building Plan for Independent Directors issued on 3/3/22

A revised scheme on Convergence Capacity Building Plan for Independent Directors (IDs) was issued vide OM No. I-21011/7/2020-CID dated 3/3/2022. Based on the working of the new scheme so far, and with the objective of making IICA courses available to more Independent Directors, some changes in the scheme are required.

2. Accordingly, following changes are being directed to be made in the scheme:
 - a. The maximum number of independent directors from the Independent Director Databank (IDD) who may be permitted to take any programme offered by IICA shall be increased from 5 to 10, without relaxing the condition that the concerned School/ Centre should have received the minimum 75% of the targeted revenue as approved in the cost sheet of the programme from its primary target group, before confirmation for acceptance of nominations of members of IDD can be made.
 - b. It is clarified that it will be the discretion of the Course Director offering the course to make the programme available for the Independent Directors under the Convergence Scheme (unless decided otherwise by Director General and CEO), and it would not require approval of either the Director General or Nodal Officer, Independent Director Databank, for placing it on the IDD portal for independent directors to opt for, if they find it relevant. However, the Nodal Officer, IDD, may obtain explicit orders of DG & CEO for not offering any programme on IDD portal under this scheme, if he is of the opinion that such a programme is not befitting the Independent Directors, or that such a programme is only incidental for the role of an independent director. Further, programmes which have been prescribed statutorily for any professionals (such as GIP) or are a requirement for acting as a professional or for which the candidates are selected through a competitive process, shall not be offered under the convergence scheme.
3. Consequent to the above changes, following amendments are effected in the Revised Scheme # 2:

- a. Under the third paragraph of the OM, following additional item may be added to the illustrative List of capacity building programmes:

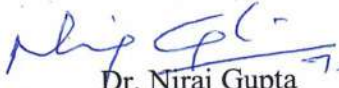
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6. Any programme (long term or short term) run by any School/ Centre of IICA, which in the view of the Head of the School/ Centre offering the programme is useful for Independent Directors.

- b. Under the section titled **Availability**, for the words "Maximum 5 participants", the words "Maximum 10 participants" shall be substituted.
- c. Under the section titled **Availability**, for the words "these five seats would not be supernumerary", the words "these ten seats would not be supernumerary" shall be substituted.
- d. Under the section titled **Nomination Process**, following sentence shall be inserted after the second sentence ending with words "registered members of the databank.":

"It is clarified that it will be the discretion of the Course Director offering the course to make the programme available for the Independent Directors under the Convergence Scheme (unless decided otherwise by Director General and CEO), and it would not require approval of either the Director General or Nodal Officer, Independent Director Databank, for placing it on the IDD portal for independent directors to opt for, if they find it relevant. However, the Nodal Officer, IDD, may obtain explicit orders of DG & CEO for not offering any programme on IDD portal under this scheme, if he is of the opinion that such a programme is not befitting the Independent Directors, or that such a programme is only incidental for the role of an independent director. Further, programmes which have been prescribed statutorily for any professionals (such as GIP) or are a requirement for acting as a professional or for which the candidates are selected through a competitive process, shall not be offered under the convergence scheme."

- e. Under the section titled **Process of Selection**, wherever the numeral '5' or word 'five' is obtained, the same shall be substituted with the numeral '10' or word 'ten', respectively.
- f. Under the section titled **Cost**, the word 'five' shall be substituted with word 'ten'.
4. This OM issues with the approval of the Competent Authority.


Dr. Niraj Gupta 7-10-22
Nodal officer, ID Databank

To
All concerned (via e-Notice Board)

Physical copies

- 1) All Heads Schools/ Centres
- 2) Chief Administrative Officer
- 3) Finance Officer
- 4) EA to DG & CEO

Scheme # 2: Convergence Capacity Building Plan for Independent Directors

The purpose of the Convergence Capacity Building Plan is to offer Independent Directors to access the well-developed, state-of-art capacity building programmes being organised by Schools/ Centres of IICA. This will empower independent directors to stay abreast of industry trends, emerging issues in finance, accounting alignment with regulatory bodies, corporate governance and company directives.

Capacity building programmes consist of –

- (1) Online programmes,
- (2) Management development programmes, and
- (3) Face -to-face Workshop / Seminar / Short term (duration less than five days) courses on capacity building

An illustrative, not exhaustive, list of capacity building programmes are given below –

1. Online program on Competitive Law – School of Competition Law & Market Regulation
2. Online program on Corporate Governance – School of Corporate Governance & Public Policy
3. Online Valuation Certification Program – School of Finance
4. Online program on Corporate Law and Insolvency Program – School of Corporate Law
5. Online ICP – CSR / School of Business Environment

Empanelled Independent Directors will have an option to avail of these IICA programmes at a discount. The conditions for application and selection of empanelled independent directors are given below:

Eligibility

Empanelled Independent Directors whose Registrations are valid, both on the day the programme has been offered and on the day programme is due to start, are eligible for participating in the programme.

Availability

Maximum 5 participants from ID databank would be considered, within the total target training seats for each program to be offered by different Schools / Centres in IICA. That is, these five seats would not be supernumerary, i.e. not over and above the targeted capacity of the programme.

Nomination process

The programs of schools/centres would be announced on the ID databank portal, at the same time when the programme is made open to the main target group, and would be notified to all the members for sharing nominations. That is, as soon as the programme is advertised for the primary target group, the same would be simultaneously announced and made open for nominations by the registered members of the databank. The interested members may nominate themselves after going through the structure, design and utility of the program towards their requirement at ID in boards. Interested members can nominate their names on the databank portal after login to their profiles along with a short statement of objectives indicating the reasons for their interest in the program.

No fee payment is required at the time of nomination. It will be come payable only when the nominee is selected for the course.

Process of Selection

The nominations so received till the last prescribed date of accepting nomination will be forwarded by the IDDB within two days of the last date to the respective schools/centres, along with other details such as previous courses taken under this facility and earlier cases of not taking up any other course after being selected for the course.

The concerned school / centre will scrutinize the nominations in the order of preference based on the age of the registration of the members with the databank. For example, the members who have had their association with the databank first would get the first preference in terms of their selection. The respective school/centre will offer the program STRICTLY in the order of age of registration of the members with the databank. That is, the top 5 nominations (as calculated from date of registration) would be selected for the programme, subject to following conditions:

- a. Anyone having done any other programme, availing the IDD discount, of any School/ Centre six months prior to the date when the programme has been announced, would be considered only after considering nominations of all those who have not done any such course in that period. That is, they would be considered only after cases of all those who have not done any programme have been considered. This is to ensure that everyone gets an opportunity to take up these programmes. Similarly, between eligible nominees where both have done courses in this period, the nominee who has done lesser number of courses in the last six months would be considered first. To ensure this, the IDDB, while sending the list of willing nominees, should also send the details of courses done by these nominees in the last six months.
- b. If in previous two years, someone has refused to take up a programme or pay the requisite fees for the same, after having submitted his or her nomination and after having got selected for the same, then their nominations for the programme would be taken up only in the last cycle of consideration, after considering all other cases where such a default has not occurred. To ensure this, IDDB would keep a record of such cases and

furnish the same to concerned school/centre while forwarding the nominations.

- c. In case any nominee has only filled up meaningless gibberish in the Objectives column, then that nominee can be rejected, after consulting DG & CEO. However, no relative assessment of quality of objectives submitted would be made for rejecting or accepting someone, the assumption being that it is the prerogative of the Independent directors to decide which course is suitable for him, and the concerned school/ centre should not be sitting on judgement over their choice.
- d. Except for the above three restrictions, the concerned school/ centre would have no discretion in accepting or rejecting nominations based on any other criteria.

The acceptance of the nominations, in the order of preference, would be at the discretion of IICA if the program seats are full for rollout of the program. However, the Schools/ Centre has to get a minimum of 75% targeted payments as approved in the cost sheet for the program from its primary target group, before confirmation for acceptance of nominations of members of IDD can be made, and the selected nominees asked to remit the requisite fee. This is to ensure that any programme should be financially viable in a stand-alone manner and should not depend on the nominations from the databank directors for viability.

In case the selected nominees do not remit the fee within seven days of the offer, the school/centre may then go further down the nomination list, again strictly by seniority as detailed above.

Cost

The program fee per participant per program would be 80% discounted on tagged price for five enrolments from empanelled independent directors in programmes organised by Schools/ Centres, IICA. The balance fee for these five candidates would be paid by the IDDB, after successful completion of the programme.