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Wanted: 30,000 directors in 2 weeks

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BANGALORE: Call it the biggest directorial job mela. As nearly 9,000 listed companies race against time to appoint 30,000 independent directors by January 1, 2006, several former ministers, army generals, air marshals, IT commissioners, UN experts, more than a hundred IAS officers and even a governor are joining the queue.

But wait. You don't have to be among the *crème de la crème* to get in. If ambitious enough, even a dhobi or a barber can throw his hat into the ring, thanks to the lack of clarity in the Securities and Exchange Board of India (Sebi) directive, which mandated these appointments.

The Sebi decree doesn't prescribe any qualifications. All that it says is that these independent directors should not have any financial transactions with the companies and they should not have been executives of these companies for at least three years.

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That has made the appointments a free-for-all, with all and sundry joining the queue, eyeing the lucrative perks attached to these posts.

Nearly 9,000 listed companies across India need to appoint upwards of 30,000 independent directors by January 1, 2006.

Under the Sebi directive, aimed at better corporate governance, one-third of the directors of a company should be independent if the board has an independent non-executive chairman and half the board should be independent, if the chairman is a company executive.

Close to 6,000 aspirants have registered with primedirectors.com, a website run by Delhi-based Prime Database, and co-sponsored by Sebi, the BSE, NSE and CII.

The rush for registrations is so big that the site is updated thrice a day. The list includes several retired IAS officers and even one governor," says the website.

"Why not?" says Prithvi Haldea, managing director of Prime Database, when questioned whether politicians can be appointed independent directors. Haldea, a member of many Sebi committees, told DNA: "There is no debarring qualification on who should be an independent member. I can appoint my neighbour, or dhobi or barber."

"But later, we expect investors to question and scrutinise these appointments. Today, I can appoint my dhobi or barber. But the time will come when I have to prove their credentials. I can't lie to investors that my barber is an MBA," said Haldea.

Of the nearly 6,024 people registered with primedirectors.com till Monday evening, 1,788 are chartered accountants, 752 are company secretaries, 1,810 are engineers, of whom 496 are from IITs, 324 are IIM graduates and 165 are former civil servants.